

Inventory management guidelines proposal

➤ Purpose:

The inventory management guidelines are issued to achieve the following purposes:

- To define organizational and personal accountability for equipment.
- To prescribe procedures in the receipt, valuation, record keeping, maintenance, issuance and disposal of inventory.
- To introduce the Asset Management Database.

To use the AMD for inventory management when the equipment is moving around quickly, different policies are needed.

➤ Principles:

- Adequate, updated and correct inventory records are to be set up and maintained in each organization offices.
- All transactions of all inventory are to be properly documented and sufficient audit trail is to be submitted.
- In the classification of the items, the same definitions should be used. These guidelines should apply to all Non-expandable and attractive items.

➤ Responsibilities and Accountability:

- The Chief of an operation is accountable for the equipment that has been issued to its operation. He can designate this responsibility to a property officer.
- Staff members are personally accountable for the appropriate use and maintenance of the equipment issued to them.

➤ Procedures:

Before purchasing a non-expendable item, a purchase request has to be filled in and sent to the Core Unit for approval. (See [Templates for Purchase order in Annexes of Procurement topic](#)).

In order to always keep track of the equipment, certain policies and procedures need to be applied.

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➤ **Acquisition:**

Newly acquired equipment has to be registered in the AMD. Therefore it needs to be identified by a PO, classified and labelled by organisation's labels and valued (expendable, non-expendable and attractive items).

➤ **Valuation:**

Purchased Items should be valued at acquisition costs, donated items at acquisition costs of the donor. Immediately upon arrival items should be inspected.

➤ **Issuance:**

Issuance of equipment to the staff has to be recorded, using a **loan form**. On return of the specific item the same form needs to be used.

➤ **Transfer:**

Every transfer to an operation / between operations has to be recorded in the AMD and using a **Shipment Report Template**. Within an operation keeping track of the location of equipment lies upon the responsibility of the Chief of the operation.

➤ **Counting and Reporting:**

Physical count of inventory should be conducted on a monthly basis and sent to the Core Unit. There the reports should be crosschecked with the AMD data.

➤ **Disposal:**

As soon as equipment is available for other use, this shall be reported using the disposal form. There the property survey board decides what should be done with the equipment.

Disposal of equipment has to be recorded in the AMD and using a shipment/ donation/ sale/loss form.

➤ **Handover and return:**

At the end of an operation or on the leave of staff, the handover has to be recorded. The Chief of the Operation has to make sure that leaving staff members return items in appropriate condition.

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➤ **Request:**

When an operation requires equipment, it shall be requested at the Core Unit. There it will be checked, if the requested equipment is currently available, can be loaned or has to be bought.

➤ **Closure of field offices:**

Prior to field office closure and before the completion of field operations, the property officer is responsible to carry out a complete reconciliation of all inventory items in the inventory records and those counted in a physical count exercise.