1000.11   SUBJECT: FLEET MANAGEMENT AND FACILITIES MANAGEMENT BUREAUS SUPPLY SUPPORT SYSTEM

:1   OBJECTIVE:
To provide a supply program and procedural guidance that will guarantee the full utilization and operation of the Fleet Management and Facilities Management Bureaus' facilities, vehicles and equipment at a minimum cost.

:2   AUTHORITY:
This procedure amended by City Council September 15, 2003.

:3   DIRECTION:
The Director of Purchasing and Materials Management, as an appointed official, serves at the pleasure of, and receives direction from the Mayor through the General Administration Department Director.

:4   METHOD OF OPERATION:
A.   Introduction
This procedure establishes a uniform system for the acquisition and control of materials and supplies, including spare parts, tires and lubricants required to support the Fleet Management Bureau's Maintenance Program. Included are the methods and practices for requisitioning, purchasing receiving, issuing, storing, and maintaining inventory control of the fleet and facilities supply inventories. The Materials Management Supervisor, acting through the Vehicle Parts Manager will maintain this procedure by the timely issuance of changes or supplements as necessary. The Materials Management Supervisor will also ensure appropriate coordination of this procedure and any subsequent changes or additions with City Bureaus/Offices.

B.   Scope
The Fleet Management and Facilities Management Supply Support Program is responsible for purchasing, receiving and issuing facilities maintenance materials, parts, fuel, tires, and other supplies used by the Fleet Management and Facilities Management Bureaus and other City agencies.

C.   Policy
The Fleet Management and Facilities Management Bureaus will obtain and control materials, supplies, and services required to adequately support designated activities and audit requirements in a timely manner.

D.   Responsibilities
Responsibility for conducting inventory management and other supply operations in accordance with this procedure is delegated by the Materials Management Supervisor to the Supervisors of Fleet and Facilities Supply Support who will ensure operations are conducted in compliance with this procedure.

E.   Functions
The Fleet Management and Facilities Management Supply Support Program is responsible for the following functions:
1.   Receiving and inspecting items purchased from vendors.
2.   Purchasing repair parts, fuel, services and facilities maintenance materials. Procurement of rental equipment.

3.   Interface with Accounting and Fleet Management and Facilities Bureaus.
4.   In-storage maintenance of supplies.
5.   Processing requisitions.
6.   Pro card transactions and reconciliation.
7.   Issuing materials and supplies.
8.   Stock replenishment.
9.   Maintaining inventory records and controls.
10.   Disposal of obsolete parts.
11.   Inventory control and ordering fuel for 23 fuel service centers.
-12.   Preparing monthly/quarterly reports and budget forecasts.
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13.   Safety program.
14.   Provide logistics support for Emergency Operation Center.
15.   Maintenance of vehicle fuel storage tank, and insuring all storage tanks are in compliance with EPA (Environmental Protection Agency) rules and regulations.

F.   Organization
The Fleet Management and Facilities Management Supply Support Program is directed by the Materials Management Supervisor. The Materials Management Supervisor directs section activities through subordinates: (1) the Purchasing Agent who purchases services, materials and parts; (2) Property Control Supervisor who manages the Vehicle Parts Warehouse; and (3) the Property Control Supervisor who manages the Facilities Supply Support Group. The procedures for Fleet and Facilities Supply Support are as follows.

G.   Fleet Supply Support1. Documentation
Various forms and records used in the Fleet Supply Section activities will be described in this procedure. Many of these are accountable documents, which will be so identified; and they must, therefore, be prepared and distributed with due care. Any form, which is serially numbered, is automatically considered an accountable form/document. Instructions for preparing and processing forms used by the Fleet Supply Section have been included in Paragraph 4.G.10 of this procedure.

2.   Inventory Accounts
The Vehicle and Equipment Automated Inventory Control System is comprised of two (2) inventory accounts that are part of the General Ledger.
        Account Number Commodity
                5111310-011 Parts, Oil, Lube, Tires, Tubes
                5111310-012 Fuel

These perpetual inventory accounts are reconciled to the General Ledger on an annual basis.

3.   Bench Stock
Low value materials used in the overall Fleet Management shop operations such as: nuts, bolts, sandpaper, touch-up paint, etc., and whose usage cannot be attributed directly to a vehicle or work order, are considered bench stock and will be maintained in pre-expended bins of supplies situated within the activity supported. Bench stocks will be replenished as required.

4.   Availability of Parts, Obsolescence and Pricing

Complaints of parts availability, pricing, and obsolescence are as old as the industry. Many problems are caused by poorly organized systems and inadequate communication with suppliers. Parts problems mean higher Fleet operating costs.

The following guidance is provided to ensure that these common problems do not develop within the Fleet Supply Support Section. The Bureau Chief or Assistant Bureau Chief of Fleet Management may request direct stocking of certain critical parts with appropriate justification.

The most common problem involves inability to obtain or find the right part quickly, when needed. When a part has to be ordered from the warehouse distributor or the OEM, this could mean that a vehicle would be out of service for several days. Increasing the size of the Fleet parts inventory to guarantee that the item is in stock sounds like an obvious solution, but this is not the answer. Inventories are costly.

Developing a rapport with suppliers and knowledge of the items that they stock is vital to an efficient maintenance program to minimize downtime. Working with parts suppliers and letting them know what services are needed and forecasting these needs, places them in a better position to respond to immediate demands for parts. Suppliers must know the type of vehicles the City operates and when certain models are discontinued from service. The buyer will develop a dialogue with the supplier so that they will know when and where to deliver parts, who to see to sign a receipt, and where to send the invoice for prompt payment. This will increase the supplier's interest in the City's Fleet and could result in minimizing parts inventory if the supplier will carry, in stock, for immediate delivery. Stock will be demand supported and reviewed by the parts manager.

5.   Controlled Inventory
Inventory Control is the key to successful parts management and it is prudent to keep the inventory at absolute minimums because of rising costs. Too much stock will result in an excessive amount of obsolete parts that will accumulate with the subsequent losses. Most suppliers will make daily deliveries and this will help minimize inventory levels. The parts that are carried in inventory will be cataloged by the manufacturer's number and organized in such a manner that the people who work with the parts will be able to locate them quickly. After numbering the parts, they will be placed in bins or on shelves, which are identified with a label.

In addition to knowing local parts jobbers and distributors, the buyer must know what part lines are stocked nearby and what can be obtained quickly. It is pointless to stock parts that can be readily obtained from a local jobber. It costs more to carry excessive stock and it should be purchased on an as needed basis. In many cases, the interest cost on inventory would erase any advantage received by volume discounts.

6.   Obsolete Parts
Obsolete and surplus parts problems can be corrected through proper inventory control and by establishing and maintaining a dialogue with suppliers.

Once the Supervisor is aware of an obsolete part in the inventory, (if there is a part in stock that has not had any usage in a two (2) year period, it should be evaluated), the part should be returned to the supplier for credit. Always keep parts in original boxes, unmarked and undamaged, so they can be returned in a salable condition to a distributor. Getting to know and communicating with suppliers is the surest way of smoothing parts disposal problems. In most cases, a supplier will accept the returned part with a minimal restocking charge.

7.   Pricing
Parts pricing problems, aside from the inflation related cost hikes, present major challenges. Complaints range from high jobber prices to the wide price disparity among various suppliers of the same item. The best way to avoid price-related problems is to negotiate before hand. Current price sheets are essential to successful parts negotiation. Current data on per unit cost also lets the buyer know what other repair facilities should be charging for parts used in the performance of subcontracted repairs. Before a decision is made to authorize a supplier for the purchase of parts, as many suppliers as possible should be visited. Make notes of the lines carried, the amount of stock in inventory, and compare prices between suppliers, for 10 to 12 high turnover items. Comparing the price of every part is unnecessary. There are four price levels at which parts can be generally acquired: Fleet price, dealer price, jobber price, and distributor price.

Each pricing level offers a varying percent of discount that may range from 15% to 25% off for Fleet price to 50% to 60% off for distributor price. Discounts will vary from item to item and from vendor to vendor and are generally determined by volume buying. It will be the responsibility of the buyer to actively develop cooperation between the suppliers and the Bureau. Annual Contracts have been established by the buyer for a majority of the Fleet Management Bureau's requirements.

8.   Inventory Control Procedures
(1.)   Procurement
The following procedures explain the acquisition process for parts required for repair orders or stock.
a.   Requisitioning - whenever parts are not available in one of the parts inventory centers, the Senior Property Clerk or Property Clerk submits a Parts Request Form to the Fleet Property Supervisor for procurement action.
b.   Purchasing – The Purchasing Agent or Fleet Property Supervisor, upon receipt of a Parts Request and further determination that the item(s) are not available in the inventory, will purchase the item(s) by one of the following methods:
•   Procurement Card (Refer to Policy and Procedures Manual, Section 412.3 for method of operation.)
•   Check Request (otherwise known as payment voucher or P2 electronic payment authorization) – used for annual contract purchases and/or to authorize payment to vendors that do not accept pro cards. (Refer to approval authority under policy and procedure 191.7).

- Purchase Order (Purchase Orders are issued in accordance with Policy and Procedure 191.7.)

(1)   A control number is issued for all purchases of parts and supplies. Purchases of items are made by telephone, and a control number is issued.

When a Parts Requisition is received from a Property Clerk and the parts or supplies are not provided by Annual Contract, the Purchasing Agent initiates the following actions:

- Obtains prices using price limits below from merchants who can furnish the material and/or supplies, selects the one with the most favorable terms to the City in accordance with City Code, Chapter 7

Up to $10,000 – 1 to 3 verbal quotes

- Bid limits may be waived in case of extreme emergency or when it is determined that it is either not practical or not advantageous to the City to conduct competitive bidding procedures. Policy and Procedure 191.7 provides specific guidelines on this subject. The Purchasing Agent will note the applicable reason for the waiver on the purchase order.

c.   Receiving and Inspection - Goods and services are either delivered by the vendors or picked up from the vendors by the Vehicle Parts personnel. Inspection of the item(s) for conformance to control number document and/or invoice specifications is accomplished by one of the Property Clerks. The Property Clerk verifies the quantity received is as reflected on the invoice, that no damage is visible and then processes invoice in accordance with Paragraph4.G.10.

(2.)   Issue Procedure
The Fleet Supply Section issues parts and supplies to authorized personnel assigned to the Fleet Management Bureau. There are basically three methods used to issue parts and these are explained below.

a.   Repair Order - A Repair Order is initiated by Fleet Management to authorize repair or maintenance of a particular vehicle. Instructions for the issue of parts listed on a Repair Order are contained in Paragraph 4.G.10(2) of this procedure.

b.   Independent Issue - An Independent Issue is used to account for the issuance of parts that are inexpensive and easily installed. Paragraph4.G.10(3), of this procedure contains detailed instructions for processing this form.

c.   Bench Stock – Low value materials used in the overall Fleet Management shop operations such as: nuts, bolts, sandpaper, touch-up paint, etc., and whose usage cannot be attributed directly to a vehicle or work order. Paragraph 4G.1.3 explains this procedure.

-9.   Procedures for the Turn-in, Control, and Disposal of Used Parts & Tires

A formal policy has been established for the turn-in, control, and disposal of used parts for issue of new replacement parts. Categories of parts selected for inclusion in this procedure are identified below:

Air Valves, PTO's	Carburetors, Steering Gear Boxes
Alternators, Power Steering Pumps	Fan Clutches, Tires
Batteries, Radiators	Generators, Water Pumps
Brake Shoes, Starters	Hydraulic Pumps

Those parts that are turned in for rebuilding are controlled by the Fleet Property Supervisor or designee. When the part is rebuilt, it is returned to stock. The item is entered on the perpetual inventory record at the invoiced cost that includes parts and labor.

The parts not selected for rebuilding, or not economically repairable, will be disposed of by the Fleet Property Supervisor as scrap metal.

The parts noted above are considered non-expendable; when a replacement part is needed by a mechanic, the used part must be turned in to the Property Clerk.

Tires will either be recapped or scrapped by the Fleet Supply Supervisor. The recap decision will be based upon a recommendation from Fleet Management and the tire recap vendor. Scrapped tires will be disposed of through an authorized and permitted vendor.

Expendable parts are generally low-cost items, which by their use and installation would have little or no value for reuse. Some examples are spark plugs, belts, air and oil filters, hoses, and ignition wires. The issue and installation of these parts will be verified by an appropriate Fleet Management or Facilities Management employee on a Repair Order. The turn-in of parts of this nature will not be required and the parts will be disposed of by the mechanic. Whenever a mechanic turns in a non-expendable item to the Fleet Supply Section, the Property Clerk will stamp the repair order and initial the stamp showing that the core has been properly received. If it is inconvenient for the core to be turned in at the time of receiving the new part, the repair order will be stamped but not signed off until the core is returned. No repair order will be processed until the stamp is signed assuring that the core has been returned to parts inventory.

If a part must be replaced that is missing or stolen, the repair order must plainly state this fact and be signed by the responsible party (operator and the responsible Fleet Management Supervisor) or no part will be issued.

10.   Forms
(1).   Invoices - Invoices accompany all shipments from vendors and are processed as follows:
    a.   Vendor ships or delivers part(s) with invoice to Vehicle Parts Receiving Area.
    b.   The Receiving Clerk processes the item(s) received to the parts room inventory or issues the item(s) to a repair order, whichever is appropriate, noting action taken on the invoice and gives the invoice to the Property Clerk Senior through the control number issued.
    c.   The Property Clerk Senior attaches the appropriate Procurement Card receipt to the invoice; stamps the invoice with "Parts Room" stamp; enters initials, date received, inventory account code number, vehicle

number or stock data, and repair order, in the appropriate spaces provided by the stamp's impression. If a Procurement Card was used, "Credit Card" will be stamped on invoice. The invoice is forwarded to Fleet Administration.

(2).   Repair Order
The mechanic is issued parts, which are charged on the repair order. After completion of repairs, the repair order will be sent to the Fleet Administration for processing after verification of repairs by the Shop Superintendent.

The perpetual inventory is updated at the time of the parts issue.

(3).   Independent Issue
The Independent Issue serves the same basic function as that of the repair order except there is no labor involved. The form is used to document the issue of inexpensive parts such as fuses, oil, and mirrors, etc.

(4).   Parts Request Forms
This is a two-part form used to record requests for parts either for stock or for direct issue. The information is recorded by the property clerk and forwarded to the buyer for procurement action. Copies are retained for a record of the order.

All purchases are documented in Microsoft Access by the Fleet Property Supervisor or his/her designee and a Control Number is assigned automatically by the system to every purchase transaction. Payment is authorized by either use of a procurement card or payment voucher through J. D. Edwards by the person entering the transaction and obtaining the Control Number.

11..   Inventory Procedures
The following procedures are published to enhance the orderly conduct of the annual count of the vehicle parts inventories necessary to adjust the accounting records for stocks on hand and the rendering of year-end financial statements.

(1).   Responsibility for conducting the inventory will be vested in the Materials Management Supervisor who will assign a supervisor who is independent of the normal stocking procedures and perpetual record maintenance.

(2)   The Materials Management Supervisor will develop a plan, which will assure a systematic coverage for all inventory areas. This plan will include a mandatory cut off date of all purchases and issues of inventory stock to allow for an accurate count as of the close of business on September 30. This measure is necessary to assure that all purchases and issues of stock are properly recorded to the City's accounts and records for the year ended.

(3).   The inventory stock is to be arranged so as to permit ease and accuracy during count.

(4)   There will be no movement of inventory stock from one location to another during the inventory count.
          This procedure will serve to prevent duplication or omission of inventory items.

(5).   Inventory counting teams will consist of a minimum of two employees per team.

(6).   All obsolete, damaged or non-inventory items will be segregated from those items representing the inventory to be counted.

(7)   Pre-numbered (1 of 15, 2 of 15, etc.) inventory sheets. Inventory Count Sheets will be used for inventory count and will be properly controlled and accounted

for. All such sheets representing the total numbered for control will be submitted with the inventory whether or not counts are actually recorded to them.

(8).   The pre-numbered sheets will be completed in duplicate (a photocopy is sufficient) with one copy retained for Department files. The original inventory sheet complete with all extensions and totals will be submitted to the Office of Internal Audit.

(9)   All inventory sheets will include for each line item the information for identification such as: quantity of count, description of item, location, unit of issue (can, bottle, etc.), unit price, price extension, and page total.

(10).   All inventory sheets are to be verified as to their correctness by signature from all inventory team members who record information to the sheets.

(11).   Should any corrections as to the count be necessary to any inventory sheets, they should not be made by erasing. Use one thin line drawn through the incorrect count and the correct count inserted above the correction. All corrections will be initialed by the individual making the correction.

(12)   The Bureau Chief of Fleet Management will be notified of any adjustments to the General Ledger.

(13)   The Materials Management Supervisor, the Assistant Director of Purchasing and Materials Management, and the Director of Purchasing and Materials Management are the only persons authorized to approve inventory write-offs.

12.   Automated Fuel Dispensing System

(1).   *System Description*
The automated fuel dispensing system (AFDS) is a plastic chip self-service system. The chip will be encoded with the vehicle number and other pertinent information supplied by Fleet Management. The chip will remain in the vehicle.

At each automated fueling site there is a "*Chip Reader*" which performs the operations of reading the Chip, prompting the operator via its character alphanumeric display.

(2)   *Safety*
For safety, each fuel site is equipped with an emergency shut off switch. This switch will immediately remove power from all pumps which were activated and terminate those transactions once the emergency situation is over. Users must scan their Chip and enter all information again. Should the equipment not react automatically, there are pull levers on the nearest building to the fuel island. Facility users should familiarize themselves with the locations of these pull levers. In the event of a power failure, the system is programmed to respond without losing any transaction information even if pumps were running at the time.

(3)   *Operational Procedures*
The Chip Reader is positioned on a pedestal in the center of each fuel island. The operating instructions are as follows:
a.   *To Obtain Fuel*:
   • System is ready when display shows "Welcome to the City of Orlando. Please scan vehicle tag (chip)."
   • Using directions on the Chip Reader, follow the instructions shown in the display window.
   • Press buttons to put in the information required.

- Press "Enter" after each entry.
- After each entry, display will change to show the next step.
- The entire authorization process takes thirty (30) seconds or less.

    b.   *To Enter Odometer Reading*:
Enter the Odometer Reading.

Please remember to press the Enter Key after the Odometer Reading and after the Pump Number. The system is designed to prompt you, or to give you a message if you have made some of the common errors.

    c.   Help is available through the Intercom located on each Island with direct access to the Vehicles Parts office during normal hours. The Orlando Police Headquarters Carwash and the Wastewater/McLeod Road sites have automated dialing to the Vehicle Parts office.

    d.   *End Transaction*
End transaction by turning off the pump handle switch and inserting nozzle back into the pump. Each vehicle has a quantity limit assigned to it and only this amount can be used each day. If your vehicle requires oil, please move your vehicle away from the fuel pumps and get the oil from the counterman on duty at the 1010 S. Westmoreland Drive facility. At the Car Wash facility, please request oil from the Orlando Police Headquarters Maintenance Shop.

    (4).   *Bureau/Office/Department Responsibilities and Procedures*
Each Department/Office Head/Bureau Chief will be responsible for the following:
Lost or Damaged Chips
1. Advise employees to tell their supervisor *immediately* when Chips are lost or damaged.
2. Notify the Fleet Management Bureau *immediately.* Call 246-2507 and speak to service writer. The Chip will then be locked out of the system. Further instructions will follow for new Chip replacement.
3. The local company on contract will have primary responsibility for replacing these chips.

    (5).   *Emergency Fuel Acquisition Procedures*
Diesel fuel and gasoline may be obtained from local service stations *only* in the event the Orlando Police Headquarters Carwash, the Wastewater Treatment Plant Fuel Center on L. B. McLeod Road and the contracted vendor are out of order. These sources and the procedures for their use will be published in memos issued periodically by the Materials Management Supervisor.

    (13)   Non-Automated Fuel Sites
The person assigned by a bureau to monitor a non-automated fuel site is responsible for taking and recording fuel dip readings. The readings must be recorded on the form provided by the Materials Management Supervisor and forwarded to his office on a weekly basis.

    14..   Obsolescence Procedures

Parts are considered obsolete when one of the following criteria is met:
    (1)   The parts fit vehicles that have been purged from the fleet.
    (2).   The parts do not have an adequate turn-over rate. Normally, any item that has remained in the inventory for a period of two (2) years or more without any issue activity would be declared obsolete. Exceptions to this would be insurance items for refuse collection trucks and other specialized equipment.

When the parts are determined to be obsolete, the on-site buyer contacts the vendor to return the parts for credit or trade the parts for an offsetting order of currently used parts. If the vendor cannot be determined or a supplier will not take the parts back, they will be turned over to Property Control for proper disposal. This process will be accomplished on a quarterly basis.

15.   Automated Inventory Management
      This system is explained in the FASTER Fleet Services manual.

      Adjustments to General Ledger Inventory Accounts are made by Accounting.

2.   <u>Sublets for Fleet Repairs</u>
A separate Pro Card Account is maintained for Outside Repairs of Vehicles that cannot be repaired by the Fleet Department, or, for vehicles under warranties of some kind. Comparable to the Requisition Form, an Outside Repair Order is created within the FASTER by Fleet personnel and forwarded to Purchasing Fleet Support personnel. Fleet Support authorized personnel shall enter all relevant data such as vehicle description or tool description being repaired, make and model, engine size, part numbers requiring repair/replacement and so on, into the control FASTER system, which generates a Repair Order. This Repair Order shall be the authorization for the repair vendor to perform repairs. Without it, repairs cannot be performed.

Once an authorized Repair Order has been created, the Mechanic Supervisor in Fleet (or his designee) can deliver the vehicle to, or have the repair vendor pick up, the vehicle in question, for outside repairs. After completion of repair work, the Vendor shall call Facilities Support personnel to obtain a Control Number and the Pro Card number, either before or after delivery of repaired vehicle/tool. Facilities Support shall do the following:

1.   Access the Fleet Control Log Program (which is similar to Facilities Control Log Program) and enter required data. This program works in exactly the same manner as in Section "b" above.
2.   Obtain the Repair Order Number, Vehicle Number, Description, Vendor name and number and dollar amount from the Vendor. In turn, communicate the Control Number and Pro Card Number to the Vendor. Enter all required data into the Control Log Program similar to Section "b" above. The Payment Type shall be either PC or PV and Payment Action shall be "sublet". Vendor shall enter R.O. # and Control Number on the invoice he prepares.
3.   If vendor does not have the repair order number, Control Number will not be assigned and vendor shall be told to get authorized work order number before any can be issued.
4.   After delivery of vehicle/tool, vendor either hands over the invoice to the mechanic or mails or faxes the invoice to Facilities Support. If hand delivered, then Mechanic Supervisor shall sign off on the invoice presented by vendor and

forward it to Fleet Supervisor for signature. The invoice shall be forwarded to Fleet Support personnel for proper matching.

5.   Fleet Support shall verify that information on the invoice is correct (dollar amount, work order #, pro card #, etc.). Make copies of invoice for future matching with Pro Card Statement. Send one copy to Fleet Support personnel for charging out in FASTER and one to Fleet Accounting (only if a check is requested for services).

6.   Fleet personnel shall enter data into the FASTER system to charge out the expense to the using department vehicle, using the Control Number as the department's Purchase Order Number.

H.   Facilities Supply Support

1. Introduction

This document outlines the policies and procedures established by the Purchasing and Materials Management Bureau, for the purchase of goods, materials, tools, and small service jobs, required by the Facilities Management Bureau. Facilities Management Bureau is responsible for maintaining the City's 600 plus facilities, by performing routine and preventive maintenance, making repairs and renovations, and executing new construction work orders. All large projects undertaken by F/FM, and some service jobs such as preventive maintenance, are planned in advance. For these, bids and annual contracts are administered by the Purchasing Office, and they do not come under the purview of this document. However, there are many small service jobs, such as fleet repair, plumbing repair, electrical repairs, HVAC repair, etc., which require immediate attention and cannot be planned in advance. In addition, hundreds of parts and materials are purchased for many maintenance jobs in many departments, which also require immediate attention. For convenience, and in the interest of time, these are purchased through Pro Cards that are assigned to Trades Maintenance Chiefs. Though the Trades Maintenance Chiefs are the Card Holders, it is individuals in the Purchasing Bureau that are assigned the task of actual ordering and processing, of products, parts and services, that are ordered thru Pro Cards. This is done for proper control. A Control Log is maintained by the Purchasing staff that holds all relevant data regarding all purchases made through Pro Cards.

There are Trades Supervisors, Trade Maintenance Chiefs, and Trades personnel. Each of these is given the use of Pro Cards. There are three (3) Pro Card Accounts established to support plumbing, carpentry, electrical and HVAC. Separating Pro Card purchases for each trade makes it easier to keep track of, and detect, any "unusual" purchases. For accounting purposes, purchases made through various Pro Cards are charged to either separate Programs – Program 162 (City Stores non-stock purchases), or Program 751 (Facilities support purchases for service calls).

Because most of the supplies and services ordered are not kept in any kind of inventory, all these transactions are entered into FOCIS as an "OU" Pro Card Purchase, wherein and OU orders are placed with the Vendor, items are "received" against that order into Purchasing, which then turns around and "sells" the parts to the using department and the cost is charged to those departments' account numbers. As a result, additional data entry is required.

2. Policy

A. Pro Cards shall be issued to the Trades Supervisors, Trade Maintenance Chiefs and trades personnel. At least three (3) Pro Card Accounts shall be established to support each trade, plumbing, carpentry, electrical and HVAC. Pro Card Statements for each cardholder shall be reconciled separately.

B. As much as possible, except for service calls, all requests for purchases shall be made in writing, on a Requisition Form. Purchasing shall assign Control Numbers.

C. In urgent cases, the purchases can be made directly by F/FM personnel, but they must obtain the Control Number at the time of purchase by contacting authorized persons in Purchasing from the Vendor's site.

D. The Requisition form shall be examined by the Trades Chief or Supervisor, to ensure that the parts or service request is valid and correct (as to approximate quantity required, right project number charged to, etc.), and the Trades Supervisor shall authorize it. No written Requisition Form shall be processed by Purchasing personnel, without the authorization signatures.

E. When direct purchases are made in urgent cases, then the Requisition Form along with all the pertinent information and authorized signatures shall be filled out by the Trades Chief/Supervisor as soon as possible (after parts are purchased), and forwarded to Purchasing to maintain consistency.

F. Although the Purchasing staff is processing and verifying all Pro Card purchases, the real purchasers and cardholders are the Trades Maintenance Chiefs in Facilities Management. Policy requires that the purchaser certify all purchases, and the purchaser's supervisor must review and approve all purchases. City Policy and Procedure 412.3 will be adhered to at all times.

G. The Property Control Supervisor and Facilities Management shall periodically analyze Control Log entries to discover any discrepancies and disturbing trends. Example: a purchase ostensibly made for a building trade, when compared to the customer's building for which the purchase was made, do not reconcile; or, the date the purchase was called for from a vendor, does not match to the date of the invoice from the vendor, and so on.

H. Only authorized personnel in Purchasing will be allowed to assign Control Log numbers; each will be assigned a user ID and password to restrict entry into the Control Log Program.

3.   Inventory Control Procedures

a.   Purchasing

The following procedures explain the acquisition process for materials required for service orders.

a.) Requisitioning - whenever parts are not available in City Stores, Facilities Trades personnel submits a Requisition Form to Materials Supply Support Property Supervisor or buyer for procurement action.

1.) Purchasing - The Property Clerks, Purchasing Agent or Facilities Property Supervisor, upon receipt of a Materials or Service Request and further determination that the item(s) are not available in the inventory, will purchase the item(s) by one of the following methods:

2.) Procurement Card (Refer to Policy and Procedures Manual, Section 412.3 for method of operation.)

3.) Purchase Order (Purchase Orders are issued in accordance with Policy and Procedure 191.7.)

4.) A control number is issued for all purchases of materials and supplies. Purchases of items are made by telephone, and a control number is issued.

5.) When a Materials or Services Requisition is received from a Facilities Trades person and the materials or supplies are not provided by Annual Contract, the Property Clerks, Purchasing Agent or Property Control Supervisor initiates the following actions:

- Obtains prices using price limits below from merchants who can furnish the material and/or supplies, selects the one with the most favorable terms to the City in accordance with City Code, Chapter 7.
  Up to $10,000 – 1 to 3 verbal quotes

- Bid limits may be waived in case of extreme emergency or when it is determined that it is either not practical or not advantageous to the City to conduct competitive bidding procedures. Policy and Procedure 191.7 provides specific guidelines on this subject. The Purchasing Agent will note the applicable reason for the waiver on the purchase order.

6.) Receiving and Inspection - Goods and services are either delivered by the vendors or picked up from the vendors by the Materials Supply Support personnel. Inspection of the item(s) for conformance to control number document and/or invoice specifications is accomplished by one of the Property Clerks. The Property Clerk verifies the quantity received is as reflected on the invoice, that no damage is visible and then processes invoice in accordance with FOCIS receiving procedures.

b.) Issue Procedure
The Facilities Supply Section issues parts and supplies to authorized personnel assigned to the Facilities Management Bureau. The Facilities Management through a FM and Work Request generates the only method for issue.

1. Work Request – A Work Request is initiated by Facilities Management to authorize repair of maintenance of a particular Building/Park.

b. Requisition Form
Purchase requests for materials, parts and service shall be made in writing on a Requisition Form as much as possible by Facilities Management. In urgent cases, purchases can be made directly in which case a Control Number must first be requested and assigned, by phone, from Purchasing. In the latter case, a Requisition Form must still be created and submitted to Purchasing, after the purchase, to maintain continuity and authorization signatures. A Requisition Form must be filled out for a Non Stocked Item, and any Service Order Parts Request. For a Stocked Item (City Stores Item), it may be filled out for better control.

A Requisition Form shall contain information such as F.M.# (facilities management # - the department to which purchase is ultimately charged), W.R.# (work request #), Requisition #, Program # to charge to, delivery date and location, commodity number, description, quantity required and approximate cost. It shall also include the Requestor's name or the point of contact, and, authorization signatures of purchaser and supervisor, along with any additional notes.

If the manufacturer, the part #, the model #, etc., is known, then these shall be entered in the Description. If not, parts shall be described adequately for Purchasing staff to be able to ascertain what parts are truly needed. If the order is for several small parts in a Class (example – various plumbing parts), then this shall be mentioned in the Description or Additional Notes Section. Also, in the additional notes, information shall be provided that throws some light on the nature of the job, the purpose of the materials, estimated cost and time for completion of job.

c.   Control Log
        The Control Log Program (password protected) is an internally created batch program written in MS Access program that is used to store all pertinent data for all Pro Card and Voucher purchases, and to pass on all financial transaction data to another program called "ArchiBus", which in turn, passes it on to FOCIS. In Fleet Support, the Control Log data is passed on to a program called "FASTER", which in turn, passes the financial data to FOCIS.

        The Control Log data is compared to the Invoice data to ensure that payment will be made for valid purchases only. Only authorized personnel in Purchasing can enter data. Each of the authorized people will be assigned a User ID and Password. Data entered into the Control Log shall include the following:

        1.   Owner – the person authorized to access the Control Log and enter data
        2.   Pay Type – this shall contain "O.U." (non-stock City Stores Pro Card order created in FOCIS) or "PV/P2" (pay voucher), or "PC" for Pro Card.
        3.   Supplier # -- enter supplier # or 9999.
        4.   Vendor Name – selects from drop down menu or enter 9999.
        5.   Estimated amount of order, Pro Card number (last 4 digits), FM #, WR #, Requested by, and Picked Up By. The "picked up by" applies only to the situation when the order is placed directly, from the vendor site, and the requestor is picking up right away.
        6.   Invoice Number shall contain the invoice from Vendor if items are picked up right away. If the Vendor delivers items later, then the Invoice Number will contain the 'O.U. Number" (see Section C.5 below).
        7.   The "Trade" field will contain a drop down menu of trades such as carpentry, plumbing, electrical, HVAC, etc., select one.

d.   Service Orders/Work Orders with Requisition Form
        Upon receipt of Requisition Form, Purchasing shall do the following:
        1.   Check to ensure that all required information on Requisition Form exists, especially the authorization signatures. If signatures are not found, send form back for remedial action. If a preferred vendor is entered, order from that vendor. If no preferred vendor, look up similar vendors from past, select vendor with most economic pricing. If exact description of parts is not available, call similar vendors to get a better description and enter it both on Requisition Form and into computer screen.
        2.   Enter all information on "Requisition Form Entry" Screen.
        3.   Call the Vendor selected and places an order with it. Give the F.M. #, W.R. #, Program #, item description, quantity, delivery date and location, and the

appropriate Credit Card # to the Vendor so most of this data is entered on the invoice.

4.   Access the "Control Log Program" and keypunch all the data required to fill it, as mentioned in Section "b" above. The program automatically assigns the next sequential Control Number. The invoice # will not be known at this time, it may be left blank. Note the control log number assigned by program. Relay this Control Log Number to the tradesman at the vendor site (or within City Department).

5.   Once the parts are received from the vendor and invoice is also received, create an "OU" order in FOCIS. To do this, go to "P.O. Entry Pro Card Non Stock" screen of FOCIS, and "add" a new order into it. The "Ship To" field shall have program number to which material is charged, and "Branch Plant" field shall contain the program number used, to purchase material (they could be different). Computer assigns the next available order number in sequence the "O.U." Number is written on the invoice for validation.

6.   Print this Purchase Order.

7.   Next, create an order receipt "OV" in FOCIS. From the "P.O. Entry Receipt screen in FOCIS enter the "OU" Number. Click Find and Select, then, chose "Receipt Option". Enter one by one, all the line items received, quantity, unit of measure, amount, etc. In the "supplier remark" field, enter the FM # and the WR #. In the "container ID" field, enter the control log number noted in "4" above.

8.   Click "Receipts Inquiry" on left side of screen. This brings up four (4) "detail screens". Each one contains various fields of data entry already known, such as order number, item number, order type, supplier, ship to, description, account number to charge, "supplier remark', etc. Key enter all of these fields. On the 4th detail screen, the system automatically assigns the "Document Number" sequentially. This document number is "OV#" or the Order Voucher number. Note this number.

9.   On the Purchase Order Print Out generated in "6" above, handwrite on top right corner, the "OU" number, the Control Log number, and the "OV" number, in legible letters. Handwrite this same information on the original Requisition Form. On the Requisition Form, also handwrite the Item Numbers and quantity received and the value of invoice, for those items received (not all the line items ordered may have been received). On the Invoice, handwrite all of the above including control log number, FM #, WR #, items received, and quantity.

10.   Make copies of Requisition Form, Purchase Order printout, and Invoice with the handwritten data. Send copies to the original requestor. Save originals in material management files so they can be used later to match with the credit card statements that arrive at the end of the month.

e.   Service Orders/Work Orders Without Requisition Form
        In urgent situations, personnel from Facilities Management are allowed to order and pick up material without the Requisition Form in Purchasing's possession. However, the requestor must call Purchasing to obtain the Control Log Number, even if from the vendor's site. In most cases, the requestor is already at the Vendor site and orders and picks up what he needs. Requestor must call into Purchasing and must give the F.M.#, W.R.#, vendor# or Name, Item(s) ordered and quantity. If the invoice is already prepared by Vendor, the invoice number must also be given, along with estimated amount of the order. The "trade name" is usually known by identifying the requestor. All this information must be called into Purchasing.

Authorized Purchasing personnel shall "go into" the Control Log Program and enter all data given by Requestor into it. The "Comments" field shall be changed to read "Type of Materials/Service". This field must be filled in properly. As much as possible, this field shall contain the same item description as will be entered in the Invoice by the Vendor. This helps in matching the invoice entries to those mentioned in the Monthly Card Statements. For details of Control Log data entry, see Section "b" above. If the Part # and description are well defined, these shall be entered in the Comments field.

After obtaining Control Log number from Purchasing, Requestor shall give the Vendor the Control Log number, the F.M.# and the W.R.#, which the Vendor shall save and also handwrite on the invoice to assist in matching.

If invoice is received at vendor site, Requestor shall sign the invoice verifying receipt of material.

In the meantime, Purchasing Supply Support personnel shall continue with additional processing as follows:

1. Enter all information on "Requisition Form Entry" Screen.
2. While entering data in Control Log, enter purchase type if it is Pro Card or Pay Voucher. If it is Pro Card, and the Requestor is already at the vendor site, then the Pro Card number would have been given to Vendor already by Requestor. If it is a Pro Card purchase and Requestor is not a vendor site (calling from within his job area), then Pro Card number will be called into the Vendor by Supply Support personnel along with all other data such as FM#, WR#, Part #, Description, quantity ordered, etc., in the same manner as described in Section "b" above.
3. Create an "OU" order in FOCIS in the same manner as described in section "c.5 and c.6" above.
4. When the Requestor returns after picking up the items from vendor, F/FM Bureau shall create a Requisition Form as soon as possible and deliver to Supply Support even though it is after the fact, for continuity.
5. After receiving Requisition Form, Purchasing's Supply Support, if using City Stores non-stock Pro Cards, shall continue with the remaining steps mentioned in sections c.7, C.8, c.9 and c.10 above. These steps relate to creating an OU order receipt, filling in all fields in the four (4) "detail screens", and generating the Purchase Order Printout.
6. Continue with steps "c.9 and c.10" and handwrite the OU#, OV# and Control Log# on the Requisition Form and Purchase Order Printout. If Requisition Form has not arrived from Facilities Management yet, call the concerned parties and expedite it.
7. If items were picked up at the vendor and Invoice was already prepared and delivered to Requestor, then information such as FM#, WO#, Control Log #, etc., would have already been entered by the Vendor right away, and these are delivered at a later date, then this information shall be handwritten on the Invoice including items received and quantity.
8. If the order was purchased as a "Pay Voucher", and the parts were picked up at the vendor site, then the Invoice shall be dispatched to Facilities Accounting Section, which will review the invoice and check for proper signatures. Facilities Accounting shall also enter the Control Log Program,

and "check off" the Accounting Form. This allows the entire transaction to be uploaded into the ArchiBus System.

f.   City Stores (Bench Stock) Purchases
        Regularly used items such as janitorial supplies, common maintenance hardware, rags, etc., are maintained in inventory by the City. Either Facilities Management personnel, or the various Using Department personnel may come to City Stores in person and request parts at the counter. Suppliers of these items visit City Stores at regular intervals and replenish stock and hand in the Invoices. All such purchases are to be entered into the Control Log using Program 162 Pro Cards so it is easy to reconcile the monthly statements to the invoice details. Non-stocked items are to be purchased using the City Stores Program 162's Pro Card. In such cases, a program Cost Account is charged. Non-stock City Stores purchases follow the same procedure as mentioned in "Service Orders/Work Orders" section below.

g.   Surplus/Leftover from Service Orders or Work Orders
        Very rarely happens. Surplus material is usually saved for future requirements. When it does happen, a complete reversal process has to be followed, meaning, all the steps mentioned in Section "c" above, have to be entered again with a "credit" entry (negative numbers), in order to get credit on the Pro Card statement. A new Control Log Number is created indicating it is a credit transaction, new "O.U." and "O.V." orders are created in FOCIS; all financial data is passed on to FOCIS and Archibus programs for proper reversals. Copies of Control Log and Order Print Outs are sent to Accounting for back-ups. This applies to purchases made through Pro Card, and/or Pay Voucher.

        Once a "reversal entry" is made, if the entire quantity in an order is returned, then the above steps are sufficient. If a partial quantity of parts is returned, i.e., 15 parts only were used, then another round of all the steps mentioned in Section "b" above, will need to be performed, this time, reflecting the fact that 15 parts were ordered, received, invoice received and authorized.

: 5   FORMS:
        As referenced herein.

:6.   COMMITTEE RESPONSIBILITIES:
        None.

:7.   REFERENCE:
        City Code Chapter 7. This procedure adopted by City Council October 21, 1985, Item 16 A-11; amended September 12, 1988, Item 18 A-21; amended August 28, 1989, Item 13A-34; amended July 26, 1993, Item 5-SS; amended November 13, 1995, Item LL; amended March 24, 1997, Item 3BB; amended April 26, 1999, Item BB; amended August 30, 1999, Item 3W; amended April 17, 2000, Item 3-D; policy section # changed from 191.11, April 2004.

:8.   EFFECTIVE DATE:
        This procedure effective September 15, 2003.