



Consumables Tracking Guidance

Introduction

Departments are responsible for consumable inventory and must maintain proper inventory control. Proper inventory control involves keeping track of the number of items or if appropriate the weight or volume of the consumable and clearly accounting for the monetary value of inventory transactions and balances.

Definitions

Consumables - are items, solids, liquids, or gasses, which are consumed during the normal business of the University. For the purposes of tracking the concern is only with large quantities of consumables which can easily disappear. Changes in consumption should be analyzed to determine the cause. Small quantities of consumables should also be watched and if changes in consumption are noticed should also be investigated. Especially if the small quantity of consumable has a high cost amount. (IE. Gold, Palladium, Uranium, etc).

Inventory Accountability - Tracking an item from the inception of the initial order to receipt of the item. Further movement of the item is tracked to disposal. Provide checks and balances so that no one single employee has the ability to commit Fraud Waste and Abuse.

Risk Assessment

Departments which handle large numbers of consumables should identify those consumables which may easily be removed from the premises and implement a process of accountability for them.

The risk assessment should consider consumable controls and adequate separation of duties when assigning departmental roles such as:

- a. counting initial purchases and reviewing/approving counts.
- b. reconciling inventory purchase tracking records to Finance Mart purchase records to assure completeness.
- c. distributing/releasing items from inventory and reviewing/approving distributions.
- d. monitoring and reporting usage and any usage anomalies.
- e. performing and monitoring periodic physical inventories, to confirm reported values.

Inventory Tracking Methods

Perpetual and periodic inventories are methods which can be used to track consumables.

Perpetual Inventory – items are added to or subtracted from the inventory totals immediately upon receipt, consumption, or removal. This provides a running count of the inventory on hand.



Record Retention

Record retention policies and pr on