

# SOP: Inventory Control and Supply Ordering

This SOP details the processes for **inventory control and supply ordering**, covering inventory tracking, stock level monitoring, reorder point determination, supplier selection and communication, purchase order management, receipt and inspection of supplies, and record maintenance. The objective is to ensure accurate inventory levels, prevent stockouts or overstocking, optimize supply chain efficiency, and maintain seamless operational continuity.

## Scope

This SOP applies to all personnel responsible for inventory management and supply procurement.

## Responsibilities

- **Inventory Manager:** Oversees all inventory control and supply ordering activities.
- **Procurement Officer:** Manages supplier communications and order processing.
- **Warehouse Staff:** Conducts receipt, inspection, and storage of supplies.
- **Finance Department:** Approves purchase orders and manages payment processing.

## Procedures

### 1. Inventory Tracking & Stock Level Monitoring

- Maintain a real-time inventory management system.
- Conduct physical inventory counts monthly and reconcile discrepancies.
- Record all inventory movements (inbound/outbound).

### 2. Reorder Point Determination

- Establish minimum and maximum stock levels based on historical usage and lead times.
- Set automated reorder alerts within the inventory system.

### 3. Supplier Selection & Communication

- Review and update preferred supplier lists annually.
- Request quotations from at least two suppliers for major purchases.
- Document all communication with suppliers.

### 4. Purchase Order (PO) Management

- Prepare and approve purchase requisitions.
- Issue official POs to selected suppliers; file copies appropriately.
- Track order status until delivery is completed.

### 5. Receipt and Inspection of Supplies

- Match incoming goods with PO and packing list.
- Inspect items for quality and quantity upon receipt.
- Document discrepancies or damages immediately; notify supplier for resolution.
- Record accepted supplies into inventory system.

### 6. Record Maintenance

- Maintain organized digital and/or paper records of all inventory transactions, POs, and supplier correspondence for a minimum of 3 years.

- Backup digital records weekly.
- Review and audit records quarterly.

## Documentation and Forms

Form/Document	Description	Responsible
Inventory Log Sheet	Tracks real-time inventory levels and reconciliations	Inventory Manager
Purchase Requisition Form	Initiates internal request for supplies	Department Heads
Purchase Order (PO)	Official order confirmation sent to supplier	Procurement Officer
Goods Receipt Note	Records details of delivered items and inspection outcomes	Warehouse Staff
Supplier List	Database of approved suppliers	Procurement Officer

## References

- Company Inventory Policy
- Procurement Guidelines Document
- Supplier Performance Review Reports

## Revision History

Version	Date	Change Description	Authorized By
1.0	2024-06-20	Initial SOP Release	Operations Manager