

SOP: Inventory Stock Level Check and Allocation

This SOP details the process for **inventory stock level check and allocation**, covering regular stock assessments, accurate recording of inventory quantities, setting reorder thresholds, prioritizing stock distribution based on demand and availability, preventing stockouts and overstock situations, coordinating with procurement and warehouse teams, and maintaining comprehensive documentation to ensure efficient inventory management and optimal resource utilization.

1. Purpose

To establish a standardized process for checking inventory stock levels and allocating inventory efficiently to ensure optimal resource utilization and fulfillment of operational demand.

2. Scope

This SOP applies to all personnel involved in inventory management, including warehouse staff, procurement team, inventory controllers, and related departments.

3. Responsibilities

- **Warehouse Staff:** Conduct physical counts and maintain storage accuracy.
- **Inventory Controllers:** Record and review stock data, monitor reorder thresholds.
- **Procurement Team:** Initiate reorder process and coordinate with suppliers.
- **Management:** Oversee process compliance and resolve discrepancies.

4. Procedure

1. **Regular Stock Level Checks**
 - Perform daily/weekly/monthly inventory counts as per policy.
 - Record findings in the inventory management system (IMS).
2. **Accurate Inventory Recording**
 - Update IMS immediately post physical count.
 - Verify reconciliation between system and physical count.
3. **Reorder Thresholds & Alerts**
 - Set and regularly review minimum stock levels for each SKU.
 - Enable automatic system alerts for low stock.
4. **Stock Allocation & Distribution**
 - Prioritize allocation based on current demand, pending orders, and historic usage patterns.
 - Distribute stock to departments/users as per approved requisitions.
5. **Overstock and Stockout Prevention**
 - Analyze trends to predict demand and adjust orders accordingly.
 - Identify excess stock and coordinate redistribution or clearance as needed.
6. **Cross-department Coordination**
 - Liaise with procurement on reorder recommendations.
 - Update warehouse teams on upcoming stock receipts or shortages.
7. **Documentation & Record-Keeping**
 - Maintain accurate inventory logs and transaction records.
 - File all relevant reports and forms for audit trails.

5. Documentation

- Inventory Count Sheets
- Stock Adjustment Forms
- Reorder Level Logs
- Stock Allocation Registers
- Inventory Audit Report

6. References

- Inventory Management Policy
- Procurement Guidelines

7. Revision History

Version	Date	Description of Change	Author
1.0	2024-06-19	Initial SOP template issued.	Your Name