

SOP: Spare Parts Inventory Management and Requisition

This SOP details the **spare parts inventory management and requisition** process, including inventory tracking, stock level monitoring, reorder point determination, supplier coordination, requisition approval workflows, storage and handling procedures, and documentation standards. The goal is to ensure optimal parts availability, minimize downtime, and streamline procurement to support efficient maintenance operations.

1. Purpose

To outline the standardized procedures involved in managing spare parts inventory and the requisition process, ensuring efficiency, traceability, and compliance.

2. Scope

This SOP applies to all maintenance, warehouse, and procurement staff involved in the management, requisition, storage, or handling of spare parts.

3. Responsibilities

Role	Responsibilities
Maintenance Staff	Identify spare part requirements, submit requisitions, report discrepancies.
Inventory Controller	Monitor stock levels, update inventory records, coordinate reorders, ensure storage standards.
Procurement Officer	Engage suppliers, process purchase orders, track outstanding requisitions.
Approving Manager	Review and approve requisitions, validate budget and criticality.

4. Procedure

4.1 Inventory Tracking

- Record all incoming and outgoing spare parts in the Inventory Management System (IMS).
- Assign unique identification codes to each spare part.
- Conduct periodic (monthly/quarterly) physical inventory counts and reconcile discrepancies.

4.2 Stock Level Monitoring

- Define and record Minimum Stock Levels (MSL), Reorder Points (ROP), and Maximum Stock Levels for each spare part.
- Monitor daily inventory balances via the IMS dashboard.
- Flag parts at or below ROP for immediate replenishment action.

4.3 Reorder Point Determination

- Calculate reorder points based on average usage rates and supplier lead times.
- Review historical consumption data quarterly to adjust reorder points if necessary.

4.4 Supplier Coordination

- Maintain an approved supplier list, reviewed annually.
- Issue RFQs or purchase orders to suppliers as per procurement policy.
- Track order fulfillment and delivery schedules. Report delays to relevant stakeholders.

4.5 Requisition & Approval Workflow

- Initiate requisition for required spare parts via approved form or IMS.
- Route requisition to Approving Manager for review (urgency, budget, justification).
- Upon approval, forward requisition to Procurement Officer for processing.
- Update IMS with requisition and approval status in real time.

4.6 Storage and Handling Procedures

- Store all spare parts in designated, labeled storage locations as per material safety/data sheet guidelines.
- Ensure the use of proper handling equipment, PPE, and environmental controls (e.g., humidity, temperature) where required.
- Implement First-In, First-Out (FIFO) principle for stock issuance.

4.7 Documentation Standards

- Maintain accurate digital and physical records for: deliveries, issues, stock adjustments, and disposal.
- Archive requisitions, approvals, purchase orders, and receipts for a minimum of 3 years.
- Ensure all documentation is readily accessible for audit and compliance purposes.

5. Forms & Records

- Spare Parts Requisition Form
- Inventory Register / IMS Reports
- Purchase Orders and Supplier Invoices
- Stock Adjustment and Obsolescence Forms

6. Audit & Review

- Conduct internal audits of inventory, documentation, and requisition workflows quarterly.
- Review SOP annually or upon significant process change.

7. References

- Company Procurement Policy
- Inventory Management System User Manual
- Relevant ISO/industry standards

8. Revision History

Revision	Date	Description / Changes	Approved By
1.0	2024-06-01	Initial SOP Release	Operations Manager