Inventory Standard Operating Procedure

Purpose

To confirm that Food Service staff are properly entering monthly physical Inventory according to this SOP.

Scope

This procedure applies to any Food Service staff who are responsible for purchasing and Inventory.

Key Words

Purchasing, Receiving, Inventory

Instructions

- A physical inventory is required to be completed on a monthly basis and accurately entered into K-12 software.
- The inventory process must be started on an inventory count sheet print out or K-12 software on the last workday of a calendar month, regardless of the day of the week, and reconciled by the end of the following workday.
- Accurate item counting and entering will help ensure complete and accurate operating financials and production withdrawals.

Monthly Physical Inventory and Reconciliation Steps

To complete the inventory and reconciliation process Kitchen Lead will:

1. Print the Inventory Counts Sheets no earlier than two (2) days prior to starting the physical inventory. This will allow the maximum time for any changes to inventory products to be made in K-12 software or on paper sheets.
2. After counting the inventory, enter the physical inventory into K-12 software using these instructions. All categories must be saved as incomplete.

3. After entering the inventory counts into k-12 software, notify your Supervisor or Director that you have completed entering the inventory and saved each category as incomplete.
4. Ensure all invoices for the month have been received in k-12 software prior to notifying your supervisor that inventory is entered and ready to be reconciled.
5. Once notified, the Supervisor or Director will review the inventory counts in k-12 software for accuracy and will contact the kitchen lead if they have any questions concerning the counts or if something may have been entered improperly with an incorrect unit of measure. The Supervisor or Director will make any corrections at this time, if necessary.
6. Once inventory is reviewed by the Supervisor or Director and any necessary adjustments or changes are made, the Director will save the inventory as complete and reconcile the inventory in K-12 software.
7. If using a paper inventory count sheet that will not be entered into a K-12 software, notify your Supervisor or Director upon completion. Keep this sheet in a folder on file for at least 3 years.

Note: For schools with after school programs such as CACFP or ASCP, the inventory will not be reconciled until the end of the following day to allow the maximum amount of time for production withdrawals (if applicable) to be completed.

Receiving, Labeling and Storage Procedures for Improved Inventory Control

The following procedures are required to be followed by the Kitchen Lead and Food Service staff to ensure accurate inventory counts. It is important that the actual item received is the item that is being counted for inventory (i.e. commodity vs. purchased). The procedures below will help ensure the correct item(s) are being counted and entered properly in inventory as a commodity or purchased item.

- Receive dates (i.e. mm/dd/yy) must be written on all products (including frozen food) received from any vendor to ensure proper rotation of food product and to be able to identify when individual item(s) were received.
- Ensure all invoices for the month have been received in the k-12 software prior to notifying your Supervisor or Director that inventory is entered and ready to be reconciled.
- When counting your physical inventory, pay attention to the items that include "discontinued" in the item description. These are items that we no longer order or use. Verify

that you actually have an inventory for these items before entering a count in the k-12 software for these items. If you do have an inventory of a "discontinued" item, please refer to the weekly inventory updates from procurement to determine the replacement item (if applicable) or instructions for handling a discontinued item (i.e. use first or discard).

- Labeling Commodity Products: All commodity foods must be labeled according to the two steps below so they are easily identifiable and inventoried correctly.
    - What items are commodities? Commodity items can be fresh (from DOD), frozen, dry, or canned. Refer to the warehouse invoice to determine if an item is a commodity (or commodity processed) product. The item description will begin with a "C" or "CP" (see example below).
    - What does "Commodity Processed" mean? Commodity processing is the conversion of raw bulk USDA foods into more convenient, ready-to-use products.
        1. Use a large black marker to place a "C" on the item or case to easily identify the item(s) as a commodity. If a case is opened but not entirely used, place another "C" on the individual items removed from the case but left in storage (ie. #10 cans).
        2. Use a large black marker to place a "CP" on the cases or cans of any commodity or commodity processed item. If a case is opened but not entirely used, place another "CP" on the individual items removed from the case but left in storage.
    - If space is available, separate commodity produce (DOD) and purchased produce (vendor) in a different refrigerator and label each area as "commodity" or "purchased".

Monitoring

1. Monitor and record inventory on K-12 software or paper print out .

3. Follow up with Food Service staff.

Corrective Action

1. Retrain any Food Service staff not following the procedures in this SOP.

2. Retrain Food Service staff to ensure they know how to fill out and enter inventory.

Verification and Record Keeping

- The Kitchen Lead will verify that assigned Food Service staff maintains monthly inventory.

- Food Service staff will record the quantity of all food and dry goods and document them on the monthly inventory count sheets..

- This form, paper or electronic, is to be kept on file for a minimum of 3 years.

Date Implemented _____ By _____

Date Reviewed _____ By _____

Date Revised_____ By _____