



STATE OF WASHINGTON  
DEPARTMENT OF CORRECTIONS

APPLICABILITY  
**DEPARTMENT WIDE**

REVISION DATE  
12/1/13

PAGE NUMBER  
1 of 5

NUMBER  
**DOC 235.010**

**POLICY**

TITLE

**CONSUMABLE ASSETS INVENTORY**

**REVIEW/REVISION HISTORY:**

Effective: 12/31/96 DOC 236.600  
Revised: 10/16/01 DOC 235.010  
Revised: 8/28/06  
Reviewed: 8/28/07  
Reviewed: 11/7/08  
Reviewed: 7/30/09  
Reviewed: 8/23/10  
Reviewed: 2/20/12  
Revised: 12/1/13

**SUMMARY OF REVISION/REVIEW:**


Adjusted inventory recording system throughout  
I.A.1.c. - Added that additional exceptions also require Comptroller approval  
I.B. - Removed form usage  
II.A., III.B., and IV.B.2. & 3. - Adjusted language for clarification  
II.B. - Removed use of manual cardex inventory systems  
IV.A.1., B.1. & 7., C.1., and D. - Added clarifying language  
Added IV.A.3. that a portion of the consumable inventory must be counted each month  
IV.B.1.b. - Added that shipping/receiving documentation will be maintained  
IV.B.6. - Added that entries will be made in CIS to correct identified errors  
IV.B.9.a. - Added notification requirements if year-end inventory cannot be certified  
IV.C.1.a. - Added that the Headquarters Purchasing Unit will assist in identifying bulk commodity inventory methods

**APPROVED:**

Signature on file

**BERNARD WARNER**, Secretary  
Department of Corrections

10/21/13  
Date Signed

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## REFERENCES:


DOC 100.100 is hereby incorporated into this policy; [RCW 43.88](#); [ACA 4-4037](#); Consumable Inventory System (CIS) Help Site; [Records Retention Schedule](#)

## POLICY:

- I. [4-4037] The Department uses a consumable inventory system to gather and present information needed in preparing financial statements and to provide control and accountability over consumable inventories.

## DIRECTIVE:

- I. Recording System
  - A. Inventories of consumable supplies valued at \$25,000 and higher will be maintained on the perpetual inventory system known as the Consumable Inventory System (CIS) application.
    1. Exceptions to the mandatory use of the CIS system will be allowed as follows:
      - a. Correctional Industries (CI) may use a separate computerized system designed for inventory/purchase recordkeeping.
      - b. Pharmacies may use a computerized system designed for inventory/purchase recordkeeping of pharmaceuticals.
      - c. Additional exceptions may be allowed with prior approval from the Agency Inventory Officer and Comptroller.
  - B. Other consumable inventories may be maintained in CIS at the discretion of the Local Business Advisor (LBA).
- II. Procedures for Recording Inventory
  - A. Employees will follow the procedures on the CIS Help Site.
  - B. Quantities and values for all purchases and issues will be recorded directly in CIS concurrent with the corresponding activity.
- III. Receipts
  - A. All supplies will be received and signed for at a central receiving point at all locations holding goods for future distribution.

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- B. All goods received will be immediately entered into CIS based on receiving and invoice information. DOC 05-808 Supply Inventory Transaction Report may be used at the discretion of the LBA.


#### IV. Inventory

##### A. [4-4037] Frequency of Physical Inventory

1. For perpetual inventories over \$25,000, a full wall-to-wall physical inventory will be conducted at least annually at fiscal year-end, and at the discretion of the Comptroller/Regional Business Manager.
2. For periodic inventories over \$25,000, a full wall-to-wall physical inventory will be conducted at least annually at fiscal year-end.
3. The LBA will establish local practices to ensure that a portion of consumable inventory is counted each month to test the integrity of the inventory process.

##### B. Inventory Procedures

1. Inventory will be conducted by a team of 2 employees, at least one of whom is not associated with the ordering, receiving, or issuing functions. Physical inventory will be made of all items, including:
  - a. Items held for re-issue (e.g., food, fuel, clothing, office supplies), and
  - b. Items that are not physically on hand, but have been received or title has passed to the Department. Appropriate shipping/receiving documentation will be maintained to support including the item(s) in the year-end inventory.
2. The physical count will be recorded in ink on the CIS Physical Inventory Count Sheet report as physical counts are taken.
3. The inventory balance shown in CIS will be documented using the CIS Total Inventory On Hand and Dollar Value report.
4. The recorded physical count will be compared to the perpetual inventory balance.
5. Discrepancies will be investigated by the Procurement and Supply Specialist, LBA, supervisor, or designee.

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6. A note will be made beside those items where errors are resolved (e.g., counting error, posting error, math error, etc.). Appropriate entries will be made in CIS to correct identified errors.
7. Unresolved discrepancies will be documented showing difference, dollar value, etc. This document will serve as a request for adjustment and will be forwarded to the LBA/designee for approval. After receipt of approval, adjustments will be made to the inventory consistent with the Administrative Services Division year-end closing instructions.
8. Each participant in the inventory procedure will sign each page of the inventory listing assets counted by the participant. The signatures will attest to and fix responsibility for the accuracy of the count.
9. The reconciled inventory will be certified by the LBA/designee by signing the following certification within 3 business days of the physical inventory:


This is to certify that the consumable asset inventory has been completed and, to the best of my knowledge, is true and correct. The total dollar value is \$\_\_\_\_\_.

Signature\_\_\_\_\_ Date\_\_\_\_\_

- a. If the LBA cannot certify the inventory, s/he will immediately notify the RBM and Financial Services Manager.
10. When the inventory is reconciled, signed on each page, and certified, it will be retained at the location per the Department Records Retention Schedule as documentary support for its inventory.
11. Spot checks will be made periodically of all storage locations by a person(s) assigned by the respective authority to ensure there is no stockpiling of commodities.

#### C. Bulk Commodities

1. Locations will measure bulk commodities (e.g., fuel, gasoline, coal, hay, silage) as accurately as possible using industry-recognized measuring methods.
  - a. The Headquarters Purchasing Unit will provide assistance in determining bulk commodity measurement methods.

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2. The amount of “dry” bulk material will be estimated to the best degree possible. The estimates will be fully documented and will include linear measurements and computations of volumes or weights.
- D. Inventory obtained through the United States Department of Agriculture (USDA) donable foods program will be reported to the Financial Coordination Unit upon completion of inventory reconciliation as part of the required fiscal year-end disclosure requirement.

**DEFINITIONS:**

Words/terms appearing in this policy may be defined in the glossary section of the Policy Manual.

**ATTACHMENTS:**

None

**DOC FORMS:**

[DOC 05-808 Supply Inventory Transaction Report](#)