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|    | Document No: <b>MWFS-PM-001</b>                               |
| Procedures Manual: <b>METROWORLD FOOD SERVICES</b>                                  | Revision No. <b>00</b><br>Effectivity Date: <b>02/20/2025</b> |
| Document Title: <b>Inventory Management and Special Events Purchasing Procedure</b> |   |

## 1.0 OBJECTIVE

To establish a standardized procedure for inventory management and purchasing during special events or occasions, ensuring accurate stock control, proper documentation, efficient procurement, and adherence to the First-In, First-Out (FIFO) principle. This procedure aims to minimize waste, prevent stockouts, and optimize storage and purchasing decisions during peak demand periods.

## 2.0 SCOPE

This procedure applies to all personnel involved in the inventory management and procurement process for MetroWorld Food Services, including the Inventory In-Charge (Accounting), Operations Supervisor, Executive Assistant (EA), Purchaser, and Top Management. It specifically includes guidelines for purchasing during special events or occasions where increased demand is expected.

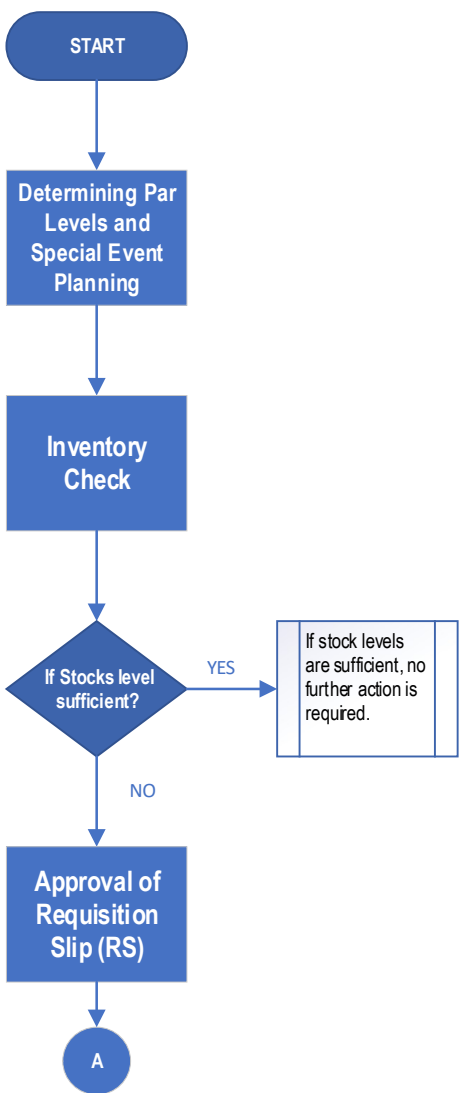
## 3.0 DEFINITION OF TERMS

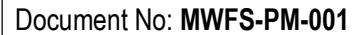
- 3.1 **Par Level** – The predetermined minimum stock quantity required to prevent stockouts. It is determined based on average weekly usage, lead time, and storage capacity.
- 3.2 **PRF (Purchase Request Form)** – A document used by the Operations Supervisor to request necessary ingredients/supplies.
- 3.3 **Inventory In-Charge (Accounting)** – The personnel responsible for monitoring stock levels, maintaining inventory records, and initiating purchasing processes when stock falls below the par level.
- 3.4 **Inventory In-Charge (Operations)**- The personnel responsible for production of received inventory and repacking stocks and maintaining inventory records in day to day transactions which also initiates in updating when stocks fall below par level.
- 3.5 **RS (Requisition Slip)** – A document used by the Inventory In-Charge to request additional supplies from the Operations Supervisor.
- 3.6 **EA (Executive Assistant)** – The personnel responsible for reviewing and endorsing the Requisition Slip for approval.
- 3.7 **Purchaser** – The individual responsible for procuring the requested goods as per specifications.
- 3.8 **MRF (Materials/Goods Receiving Form)** – A document used to record received goods upon delivery.
- 3.9 **FIFO (First-In, First-Out)** – An inventory management principle ensuring that older stock is used before newer stock to maintain product freshness and reduce waste.

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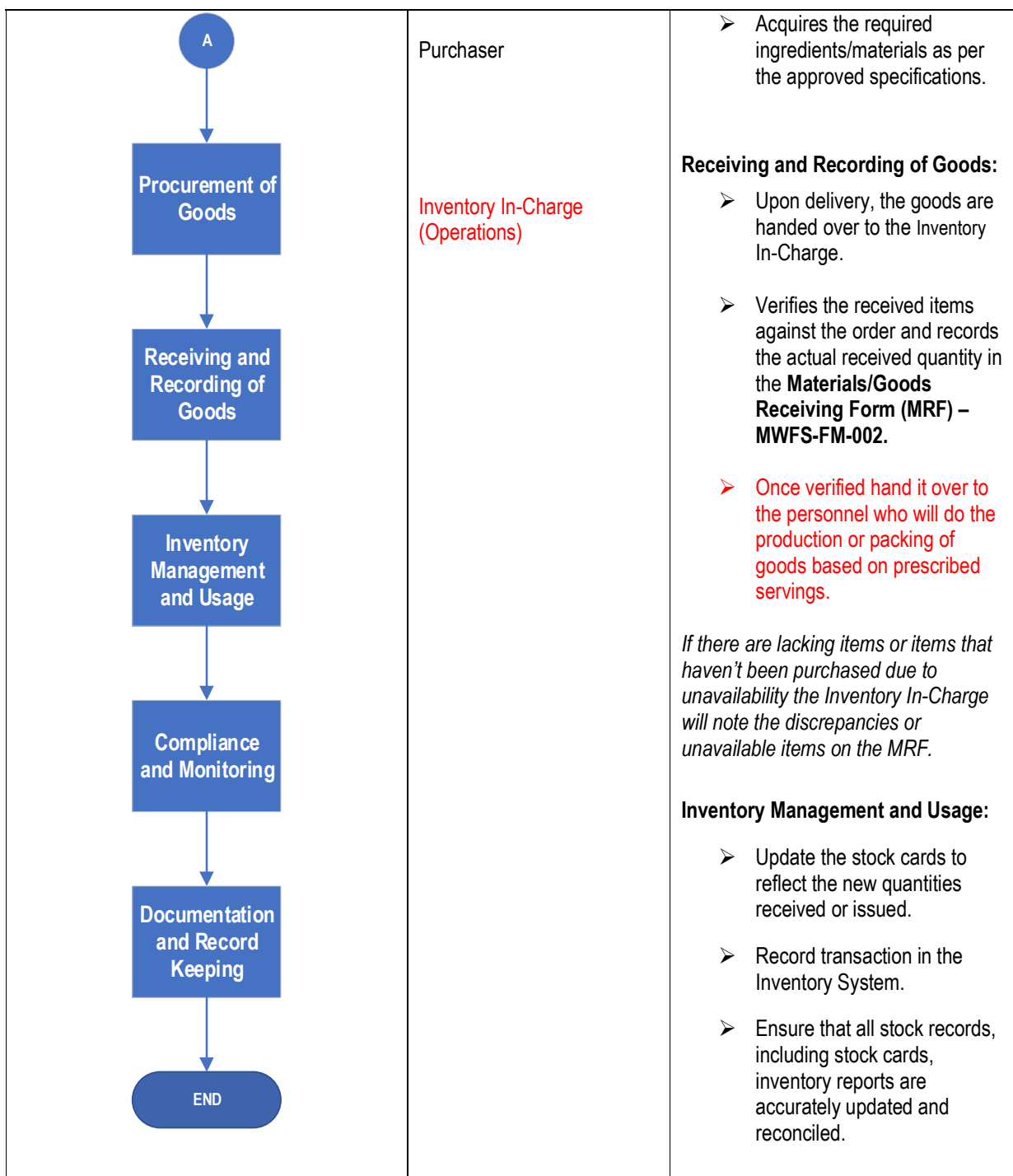
- 3.10 **Special Event Purchasing Plan** – A documented plan outlining estimated demand, additional stock requirements, and procurement timelines for special events.


#### 4.0 A. STEP-BY-STEP PROCEDURE FOR PURCHASING

| ACTIVITY  | RESPONSIBILITY        | DETAIL  |
|---|-----------------------|---|
|  <pre> graph TD     START([START]) --&gt; A[Determining Par Levels and Special Event Planning]     A --&gt; B[Inventory Check]     B --&gt; C{If Stocks level sufficient?}     C -- YES --&gt; D[If stock levels are sufficient, no further action is required.]     C -- NO --&gt; E[Approval of Requisition Slip (RS)]     E --&gt; F((A))           </pre> | Operations Supervisor | <p><b>Determining Par Levels and Special Event Planning:</b></p> <ul style="list-style-type: none"> <li>➤ Establishes the par level for each ingredient, including but not limited to, the following factors: <ul style="list-style-type: none"> <li>▪ Average weekly/monthly usage</li> <li>▪ Lead time for delivery of stock</li> <li>▪ Storage capacity and constraints (for bodega)</li> <li>▪ Seasonal demand fluctuations</li> <li>▪ Quantity, Shelf Life</li> <li>▪ Minimum Stock Level</li> <li>▪ Anticipated volume for special events</li> </ul> </li> </ul> <p><i>The template should also categorize per area.</i></p> <p><i>Par levels are reviewed periodically and adjusted as necessary.</i></p> <p><i>A Special Event Purchasing Plan is prepared at least <b>two weeks</b> before an event, <b>forecasting</b> additional inventory requirements.</i></p> |



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|  | <div> <div> <p>Representative from Audit Department</p> <p>Management Trainee (FSCG)</p> <p>Inventory In-Charge (Operation)</p> </div> <div> <p><i>All personnel handling inventory must follow the <b>First-In, First-Out (FIFO) rule</b> to minimize waste and ensure product freshness.</i></p> <p><i>Real-time monitoring of stock levels is conducted to prevent shortages.</i></p> <p><b>Compliance and Monitoring:</b></p> <ul style="list-style-type: none"> <li>➤ Regular audits shall be conducted to ensure adherence to this purchasing process.</li> <li>➤ Any discrepancies or inefficiencies should be reported to management for corrective action</li> <li>➤ Continuous improvements shall be made to optimize inventory control and procurement efficiency.</li> <li>➤ Special event purchasing efficiency is reviewed after each event for process improvements.</li> </ul> <p><b>Documentation and Record Keeping:</b></p> <ul style="list-style-type: none"> <li>➤ Ensure that all records are updated and stored securely.</li> <li>➤ PRFs, RSs, MRFs, and inventory records must be properly maintained and filed for audit and reference purposes.</li> </ul> </div> </div> |

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