



TO : All Branches, Corporate Accounts (CAD), Engineering, Online Sales (OSD), Lab Office, and Lab Production
FROM : Audit Department
SUBJECT : Policy on Stock Transfer of Merchandise & Non-Merchandise Inventory

I. PURPOSE:

1. To establish and standardize guidelines and procedures for proper system documentation of stock transfers.
2. To strengthen control measures in the transfer of inventory and monitoring of accountability.
3. To resolve and eliminate incidents of undocumented stock transfers from one department/branch to another, which result in inventory variances.

II. SCOPE AND COVERAGE:

This policy applies to all merchandise and non-merchandise inventory (e.g., display modules, engineering items, laboratory and ophthalmic equipment, raw materials, consumables) subject to stock transfers between the branches and Head Office Departments, including Corporate Accounts (CAD), Engineering, Online Sales (OSD), Lab Office and Lab Production.

III. GENERAL POLICY GUIDELINES:

1. General Rule

All branches and Head Office Departments capable of processing of Stock Transfer (ST) in the EOIS and new program development (Online Portal) must strictly comply with the following:

- 1.1 Creation of ST Document: Within the day of issuance and transfer of inventory.
- 1.2 Posting of ST: Within 48 hours from the day of receipt of the actual item(s)
- 1.3 Reporting of discrepancy: Within 48 hours from the day of receipt of the actual item(s)

2. Exemption to the General Rule

The following causes are exempted from complying with the general rule mentioned above provided that a report via email was presented and available to justify the reporting compliance:

- 2.1 Reported EOIS/Online portal problem and internet connection certified by the MIS Department
- 2.2 Reported discrepancy pending settlement of the issuing branch/department

3. Stock transfer of Inventory to Another Destination (Branch or Head Office Department)

- 3.1 The transfer of inventory between branches, head office departments, and vice versa due to stock request, allocation, supply, and replenishment must be documented with EOIS/Online Portal Stock Transfer (ST) within the day of issuance or transfer. Strictly no release and supply of item for transfer to another without EOIS ST document.
- 3.2 The department/branch head or their authorized personnel must check the physical item supplied if it matches and is correct according to the ST document, and without damages and defects.
- 3.3 The department/branch head or their authorized personnel must sign the ST document as proof of their checking and tracing of accountability.
- 3.4 The department/branch head or their authorized personnel must post the ST document number in EOIS/Online Portal before the actual release and transfer. Stock transfers without the department/branch head's PIN will not be deducted from their Stock on hand (SOH) inventory.

4. Receiving of Inventory from Stock Transfer

- 4.1 The department/branch head or their authorized personnel must thoroughly check the actual item received if it matches and is correct according to the ST document, including the origin, destination, product description, quantity, and quality of the item if it is free from damages/defects.

4.2 The department/branch head or their authorized personnel must post the stock transfer reference in EOIS/Online Portal within 48 hours from the date the actual item(s) was received.

4.3 The stock transfer number shall remain as "pending/un-posted" in EOIS/Online Portal if not posted after the receipt of the stock transfer.

5. Reporting of Discrepancy in Received Stock Transfer

5.1 The department/branch head, or their authorized personnel must document the discrepancy to the issuing branch/department via email within 48 hours from the date the actual item was received, cc: immediate head (e.g., AOM, ROM, ROD, OD), and Audit.

5.2 The department/branch head or their authorized personnel respond via email, and provide recommendations and settlement within 48 hours from the receipt of the discrepancy report, cc: immediate head (e.g., AOM, ROM, ROD, OD), and Audit.

6. Unreceived Stock Transfer and Floating Stock Transfer

6.1 The unreceived and floating ST in EOIS/Online Portal more than 15 days from the ST date must be reported via email to issuing branch/department, cc: immediate head (e.g., AOM, ROM, ROD, OD), and Audit.

6.2 The department/branch head or their authorized personnel must immediately resolve the status and whereabouts of the unreceived and floating ST within 48 hours from the report date.

6.3 If no response is received from the issuer of ST after the 48-hour period, the branch/department will request via email to MIS Department the system deletion of ST in EOIS/Online Portal cc: immediate head (e.g., AOM, ROM, ROD, OD), and Audit.

IV. PENALTY FOR NON-COMPLIANCE:

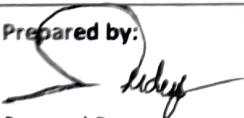
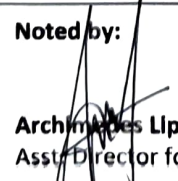
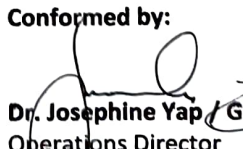
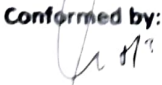




In case of non-compliance, and if noted during an audit, the late creation of ST document, un-posted ST, unreported, and late report of discrepancy, the following sanctions will be imposed:

1st offense – Written warning issued to the department/branch head.

2nd offense & up - Php 2,000.00 per stock transfer transaction, equally charged to the head and stock clerk.

V. EFFECTIVITY:

This policy will take effect immediately. The Management reserves the right to add, amend, revise or delete any portion of this policy as deemed necessary or advisable.

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