**Consumables management system**

**(Inventory Management System)**

The request for the “materials release” by the organizational unit is made through an existing internal portal (e-mail application form). It is sent to the warehouse department via the system and the order is processed through the system.

The system must contain all the names of the consumable items + released QTY and the requested quantities. (Sub-stores) Dubai and Sharjah.

The warehouse department receives the electronic order then process it as following:

1. Scan the material’s barcode using the barcode scanner (the international barcode number), to insert the released materials.

2. Minimum inventory and product expiry date will be sent by e-mail notification and through the warehouse system.

3. Order system of other departments and receipt of the requests through the automated system.

4. Entering materials in the traditional way.

5. Release the materials using the factory barcode.

6. Print the report of the materials released on the same day of release.

7. Storing all materials release transactions on the same day of release.

8. Storing all materials release transactions on via the system.

9. Comparison of standard stock investment

**Stock Investment standard:**

1. The number of times the service is interrupted or delayed/ stock shortage/Out Of Stock.

2 - The number of times in which the warehouse department postponed the committed dates of delivering the products.

3 - The average waiting period to deliver the items to the requesters.

4 - The number of times the warehouse department did an emergency or direct purchase.

5 - The size of the losses caused by the prices increases of some items needed by the departments, and did not maintain sufficient stock in the Department Stores.

6 - The size of the losses caused by the prices decreases of some items needed by the departments, and retain large quantities exceeding their actual needs.

7- The size of the losses resulting from the sleeping/ idle or obsolete stock, which is usually the result of poor planning. Therefore, the amounts must be allocated to stock investment and to provide the needs of the materials with the specifications and quantities required in a timely manner.

8. The quantity of demand (the economic quantity of the purchase)

**Equations:**

1. Requested quantity (economic quantity to buy)

2. Waiting period = Daily consumption rate of item X Waiting period (purchase).

3. Minimum stock = daily consumption rate of item X The number of days desired to be kept in stock.

4. Re-ordering point = minimum stock + (average daily consumption of the item x waiting period)

5. The maximum limit of the stock of a given item = the minimum stock + quantity of demand.

6. Any other important equations.

**Warehouse Management System in the Federal Government Pursuant to Decree No. (4) of 2019 on the Procurement and Warehouse Management Regulations of the Federal Government.**

1 - The expected available balance = the balance of the material in the warehouse + the quantity insured - the amount expected to be released during the year

2. Required quantity = total requirements - expected balance in stock

3. Proposed amounts for item insurance = Quantity requested X Unit price

1. Monitoring and following up storage levels for each item (storage levels are minimum, maximum and re-order levels)

2. Determine the economic quantity of the purchase, if the stock balance reaches the re-ordering limit

3. Submit a request for the procurement of the organizational unit for the procurement of materials which reaches the re-ordering limit.

4. Knowing inventory balances of items and their total value with the preparation of the necessary data and reports on the stock and provide it to the relevant departments.

5. Control stock movement of items by identifying items that are fast moving, slow moving or sleeping stock.

6. Supervising inventory work, matching inventory balances and actual inventory balances.

7. Identify inventory problems and their causes in terms of stagnant, lost or damaged items.

8. Limit similar items in stores.

9. Inventory and follow-up of items outside the scope of use.

10. Coordination on the disposal of materials and items outside the scope of use either by exchanging, circulating, selling, donating, repairing or destroying them,

**Determine inventory levels:**

1. Stock is a Non-productive capital

2. Extra stock needs additional costs

3. Possibility of non-waiting in the process of supplying stores

4. Possibility of exposure to the risk of out of stock and interruption of work

**Inventory levels (minimum)**

1. The time required for the supply of each local or foreign item of and the procedures for its purchase and supply

2. Depreciation rates according to the operating programs and the maintenance and repair required

**Re-ordering limit**

1. Calculate the minimum storage capacity in addition to meet the operational needs within a period of time starting from the time of preparing the order until the date of receipt of materials and items in the warehouses.

2. Availability of materials and items in the market.

3. Balance of the item.

4. Material requests that have been canceled or not yet been completed.

5. Materials or items contracted and not supplied.

**The highest rate:**

1. The susceptibility of materials and items to storage and their exposure to damage

2. Availability of materials and items in the market

3. The extent of change in specifications from time to time

4. Price fluctuations

5. Possibility of storage

6. Material requests that have been canceled or not yet been completed.

7. Materials or items contracted and not supplied

**Classification of materials in stores:**

1. New materials

2. Used materials

3. Damaged materials

**Where the movement (operational status)**

1. Active items

2. Inactive items

**The rate of movement speed:**

1. Slow moving materials

2. Natural movement material

3. Fast moving materials

4. Sleeping stock

**Period of validity of consumables:**

The validity period is determined

**Defining the inventory strategy:**

1. Identify active materials in stores

2. Identification of inactive substances for disposal

3. Follow-up and maintain the strategic materials.

**Stock movement reports:**

Several daily, weekly, monthly, and yearly reports can be generated on stock movement and stock in quantities, values ​​and status.

1. Date

2. Name of store

3. Name of the item / category

4. The item number or barcode

5. Storage location - (shelf number)

6. The opening balance of the item (number + value)

7. Quantity of materials received during the period and value in AED

8. Amount of materials released during the period and value in AED

9. Quantity of materials transferred internally (between different stores belonging to the same federal authority) during the period and value.

10. Quantity of materials that were exchanged through inter-exchange at the level of various federal agencies during the period and their value in AED.

11. Current balance of material (number + value)

12. Inventory turnover rate

13. Inventory turnover rate = Sales cost / ​​Average inventory.

**Calculate the average duration of material in stock:**

Days = number of days of period (365 in case of full year)

Days = inventory turnover

**Extra items (Unused items):**

1. New materials not used

2. Used materials

3. Old materials

4. Damaged materials

5. Slow moving materials

6. Materials near expiry within six (6) months.

7. Expired Articles

**Evaluation of safety and security programs:**

***Frequency of infection average:***

Frequency of infection = Number of infections / Actual working hours of workers X 1000 hours

***The severity of the infection rate***

Frequency of infection = number of days of absence resulting from injury /actual hours of work injury X 1000 hours

**Types of stores:**

1- Stationery Store

2- Furniture Store - Assets

3- Supply Store

4. diplomatic mission store

5- IT Management Store

6- Consular Services Department Store

7. Department of Finance Store

8. Government Communication Store

9. Project and Facilities Management Store

10 - Store damaged items

11- Protocol Department Store - State flags (Protocol Management Store - State Information)

**Note :**

Store of Department of Consular Services, addition of three categories of items:

1 - Stickers of ratifications within the country (adding a digit for the ratification stickers box number)

2. Posters of ratifications outside the country (adding a digit for the ratification stickers box number)

3. Visa stickers (adding a digit for the Visa stickers box number)