WAREHOUSING PROCEDURE

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Change history

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Table of contents

1. PURPOSE, SCOPE AND USERS ........................................................................................................... 3
2. REFERENCE DOCUMENTS .................................................................................................................. 3
3. PLANNING WAREHOUSING RESOURCES .............................................................................................. 4
   3.1. PROCESS FLOW ............................................................................................................................. 4
   3.2. DETERMINING NEED FOR WAREHOUSING ................................................................................. 4
   3.3. WAREHOUSE PREPARATION AND PLANNING .............................................................................. 4
       3.3.1. General storage needs ......................................................................................................... 4
       3.3.2. Special storage needs ......................................................................................................... 5
   3.4. RESOURCE REQUIREMENT .......................................................................................................... 5
4. WAREHOUSING MANAGEMENT .......................................................................................................... 5
   4.1. PROCESS FLOW ............................................................................................................................. 5
   4.2. RECEIPT OF GOODS ..................................................................................................................... 6
   4.3. INVENTORY MANAGEMENT ......................................................................................................... 6
   4.4. GOODS DISPATCH AND FORMING DELIVERY DOCUMENTS ....................................................... 7
   4.5. PRODUCT RETURNS AND STORAGE OF NON-CONFORMING PRODUCT ................................. 7
5. MANAGING RECORDS KEPT ON THE BASIS OF THIS DOCUMENT ................................................... 7
6. APPENDICES ....................................................................................................................................... 7
1. Purpose, scope and users

The purpose of this procedure is to describe the process of warehousing and planning warehousing resources.

This procedure is applied to warehousing processes within the QMS.

The warehousing process includes, but is not limited to: storage of raw materials, products, clients' property, nonconforming product and hazardous waste.

This procedure excludes:

- Temporary storage of humanitarian aid
- Temporary storage in case of incidents and emergency situations

Users of this document are [CEO and employees of warehousing department] of [organization name].

2. Reference documents

- ISO 9001 standard, clause 7.5.5
- Sales Procedure
- Procedure for Control of Non-Conforming Product
- [other legal and contractual requirements]
3. Planning warehousing resources

3.1. Process flow

3.2. Determining need for warehousing

While determining needs, [job title] looks beyond the basic need of a warehouse to store products and materials. As a minimum:

- the volume of goods;
- an area for sorting and consolidating different goods;
- a protected area for materials and;
- as a buffer in the event of a breakdown or delay in the supply chain.

3.3. Warehouse preparation and planning

3.3.1. General storage needs

[job title] must keep these requirements in mind during the planning of the main operating areas. Planning consideration needs to be given to the following:

- allocating space for each type of product and locating number;
- allowing sufficient space for easy access to the stacks for inspecting, loading and unloading;
- sizing the goods receipt and dispatch area;
- allowing space for storage of cleaning materials and supplies;
- allocating areas for damaged items to management; and
- allowing sufficient space to repackaged damaged items and place them in separate stacks;
3.3.2. Special storage needs

[Job title] is responsible for [Special storage needs of products] are provided by [job title]. Evidences of monitoring and controlling of conditions required by products' nature are kept in [barcode in the name of record by [job title]].Accuracy and reliability of entered data is monitored by [job title].

3.4. Resource requirement

In addition to the work methods, equipment and space requirements, it is essential that the warehouse is adequately resource [Job title] plan or estimates the requirements for people and equipment in order to operate the warehouse facility.

The requirement for the total amount of resources required will be determined by [job title] by analyzing the amount of goods flowing into and out of the warehouse.

4. Warehousing management

4.1. Process flow

Receipt of goods

Inventory management

Goods dispatch and forming delivery documents

End
The role of warehousing management is to ensure that stock is available to meet the needs of the beneficiaries as and when required.

In order to achieve this, [job title] must ensure a balance between supply and demand by establishing storage holding levels to cover lead times. To achieve this, [job title] must constantly liaise with the programme to keep abreast of changing needs and priorities. The warehouse must always have sufficient stocks to cover the lead time for replacement stocks to avoid stock-outs.

FEFO (First Expired First Out) method is used for picking rules based on lot expiry date. Lots having earliest expiry date (first) are issued first. This method is used mostly in processing manufacturing industries like medicine, chemical, paint, etc. where expiry date of the lot is very critical.

FIFO (First In First Out) is also used for picking rules, but here materials that are received first are issued first. FIFO will be used for warehouses where there is limited storage space and material moves in a single direction along the bay.

[Job title] is responsible to establish and enforce vertical and horizontal signalization in the warehouse in order to simplify and speed up the process of picking and moving goods in the warehouse.

4.2. Receipt of goods

[Job title] controls receipt of goods and compares quantities of received goods with the delivery note from the supplier. If everything is in order, [job title] signs the delivery note and files it in [name of document]. When the delivery note is missing or delivered goods are not in line with the delivery note, [job title] records the actual delivery in [name of document] and notifies the supplier.

4.3. Inventory management

[Job title] is responsible for monitoring the movement of goods as they are transported from the supplier and for the control of stock movement in the warehouse facility. The ideal stock control measurements include:

- establishing levels of operating stocks based on consumption/rate of usage. The stock levels shall be reviewed from time to time depending on current needs; ensure that weekly and monthly stock balance reports of each stock item and the total value are prepared;
- maintaining record of stock usage reports of each item kept in the store and the overall stock levels in the last six months;
- stock checking and reporting on a 6-month basis; show monthly reports indicating the last movement date of the unit value and total value and liaise with user department;
- establishing stock levels based on unit value and availability of each to be stocked on the market;
- keeping a record of all non-stock items received from suppliers, returned to suppliers and issued out to users.
4.4. Goods dispatch and forming delivery documents

According to [name of document] delivered by [job title], [job title] picks and prepares products for delivery dispatch. [job title] enters the invoice data in the computer for processing by signing name of invoice.

[job title] picks and prepares products for dispatch according to the invoice delivered by [job title].

4.5. Product returns and storage of non-conforming product

In case of product returns from the customer, [job title], who received the returned product, fills in the [name of document] and sends one copy to [accounting department].

[job title] returns product in the space in the warehouse dedicated to non-conforming product and [job title] returns customer complaint into the Registry of Customers Complaints.

Conforming product can be returned only if it's allowed by contract.

If product was returned from production, [job title] signs [name of document] confirming receipt of such product and then stores it in the space in the warehouse dedicated to non-conforming product.

Non-conforming product is handled according to the Procedure for Non-Conforming Product.

5. Managing records kept on the basis of this document

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6. Appendices

- Appendix 1 – Record of Warehousing Temperature Control