

The University of Alabama

Automotive Services Parts Room Procedures

Lean and Reliable Practices for Day-to-day Operations

*The following procedures outline the steps for a clean, well-organized, efficiently run, lean, and reliable Automotive Services Parts Room. In this Operating Procedure, we will examine the day-to-day practices and procedures that must become **routine** to keep the parts room in a 'Lean and Reliable' operating condition.*

Support from all levels of staff is crucial. Effective leadership, cooperation, and support among the various levels will yield remarkable results and enhance operational efficiency. When this support is in place, it promotes an efficient, effective, and successful parts room that positively impacts the total operation of Automotive Services. The UA parts room will primarily focus on supporting automotive service maintenance activities, the University's mission, and other campus activities.

Security of the Parts Room:

Controls are expected to be maintained, and staff are expected to ensure that parts are on hand and available when needed. The following controls will be in place:

- Doors secured when staff are not in proximity.
- No unassisted outside personnel within the parts room.
- Only authorized UA staff within the parts room.

Accountability:

No parts leave the parts room without being accounted for, and this process must be documented. No part should be unaccounted for at any time.

Receiving:

The staff member who ordered the inventory is responsible for verifying the inventory received from the vendor at the time of delivery, while the vendor is on site. 1st) If the parts are incorrect, the staff member is expected to return the parts to the vendor, request a refund for the incorrect parts, and request that the vendor not charge for the error. 2nd) If the parts are correct. Then, at least two additional automotive staff will be responsible for receiving the parts (signature and date on the invoice). Each staff member must perform their counts and verification of each part independently of the others. Each staff member must verify the number of parts received against the parts invoice from the vendor, including the brand, model, and unit of measurement for each item. At no time should one staff member check in a part unassisted. The Parts Associate is responsible for ensuring two staff members are present during the receiving process. Both employees are required to initial the invoice ticket legibly.

It's unacceptable not to have two additional staff members verify, nor sign or date the invoice at the time of delivery (defined as within 30 minutes of delivery).

Note: Bulk Oil: The following are required each time Bulk Oil is received:

- Before receiving bulk oil, the Parts Associate or Manager/ Associate Director is to physically stick each bulk oil tank before the oil is received, logging the amount of bulk oil in each tank.
- Waiting at least 15 minutes prior to dispensing any bulk oil, the Parts Associate or Manager/Assistant Director is to physically stick each bulk oil tank after oil is received, logging the amount of bulk oil in each tank.
 - The difference between the before-delivery and after-delivery measurements is expected to match the delivery amount received.
 - Must note any differences and notify the vendor.
 - A bulk oil file must be easily accessible with documentation of each delivery.

Receiving Parts into the System (stock and non-stock parts):

At no time shall the employee(s) ordering/receiving the stock part(s) be the staff entering the part into the inventory system. The Administrative Assistants I, II, or Fleet Analyst or Manager/Associate Director shall be responsible for entering the “Quantity Received” of “Stock Part(s)” and the cost of each part into the inventory system. The Parts Associate applies the “Non-Stock Part(s)” to the specific work order. The Associate Director of Automotive Services will assign this task if selected staff members are unavailable.

All inventory items will be expected to be entered into the system the same day the item(s) arrive, as will the inventory being worked on to the shelves. This will ensure a ‘Neat, Clean, and Organized’ parts area to enhance safety.

SKU Numbers:

SKU (item identification numbers) uniquely identify individual items within the Automotive Services Parts Room. Each item is required to have a unique SKU number so that we can effectively track its activity and whereabouts within Automotive Services. Grouping items like a single SKU number is not permissible. Bin locations should be named as short and easy to read as possible. Every SKU will be required to be identified within M5. Items will be required to have scannable barcodes.

The SKU label must include the following information: the part number identical to the one in the M5 system, the part description, the part's UPC number (if available), and the unit of measure.

Every SKU must have a label attached to the shelf in front and to the left of the product. Missing labels are unacceptable.

Inventory Levels:

Our goal is to have a lean parts room and a reliable process for receiving parts. We are fortunate to have vendors nearby who will serve as our warehouse, reducing our financial need to invest in keeping parts on hand.

Establish a minimum and maximum inventory level for each part identified as items that will be in stock. The minimum inventory level is the smallest number of given parts you can have on hand at any one time, while the maximum represents the largest number on hand (excessive quantities of inventory are not acceptable unless approved by the Director of Fleet Management or Associate Director of Automotive Services).

Replenishment of Stock Parts:

Replenishment should be based on inventory needs generated from re-order points or based on the forecast of jobs, such as PMs. Inventory orders should be placed with vendors by 9 am daily.

Obsolete, Overstock, and Slow-Moving Inventory Item(s):

The Parts Associate is required to work on obsolete, overstocked, and slow-moving inventory (weekly).

Stock Parts Turns/Movement Rate:

Parts with no movement rate or no issue date of more than six months are required to be eliminated.

Spot Checks and Cycle Counts:

Cycle counts are accomplished monthly:

- On the 1st Monday of each month, it is required to perform an inventory count of a minimum of 10 items per day until the inventory is completed each day.
- Findings should be reviewed with the Manager and Associate Director once the inventory is completed.
- The findings are required to be given to the Administrative Assistant II or the Fleet Analyst to perform inventory adjustments.
- File copy by month in Automotive Services

Parts Return for Credit:

Parts are expected to be returned for credit immediately, within 48 hours.

Damage Parts List:

The Parts Associate is responsible for recording all damage to parts. The document shall have the following:

- The SKU # and description of the item
- Quantity and Cost of item
- The type of damage
- Work Order #
- Staff Name
- File a Copy in Automotive Services

Inventory Adjustments:

Any inventory adjustments other than receiving, issuing to a job, or receiving credit from a vendor must have the written signature of the Associate Director of Automotive Services or the Director of Fleet Management. Only the Administrative Assistant II or Fleet Analyst is authorized to make inventory adjustments. Only ethical business practices will be acceptable for inventory adjustments.

Non-Stock Inventory:

Non-Stock Inventory is required to always have a record on file, with the following:

- Qty, description, types of vehicles, location, and suggested price
Note: before ordering additional parts, this list is expected to be reviewed to ensure overstock items are reduced to a minimum

Vendor Contract:

Each year, a parts contract must be entered into. Sometimes, the Parts Associate or Administrative Assistant will be responsible for gathering information for Procurement to administer the final touches before posting a bid. Following the terms of the contract is required.

Currently, we have the following avenues to purchase parts:

- 1) Primary Contract Vendor: The contracted vendor should **always be called first** to verify if they can supply the part or supplies needed.
- 2) Secondary Contract Vendor: This contracted vendor should be called if the Primary Contract Vendor can't supply the item at all, can't get the item to us in an appropriate time frame for the job to be completed, or if they are out of stock. The only time price is a factor is if there is a significant price difference, in which case Procurement Services need to be made aware so they can address this with the Primary Contract Vendor.
- 3) The Director of Procurement has approved the purchase of "Manufacture Specific Parts Purchases." When manufacturer-specific parts are "needed," authorization has been approved to purchase from the manufacturer. The use of the "Manufacture Specific Parts" is considered "secondary" and only when the "Primary Vendor" is unable to supply the manufactured part.

Equipment Inventory:

The Parts Associate is required to have all equipment, including lifts and tools, identified with a specific item number assigned, with certification/inspection dates documented, and to ensure compliance with required certification and inspection updates. Certificates of Inspections will be required to be scanned into the M5 system as a record, per the specific item number assigned to the equipment. The Parts Associate is responsible for communicating the dates of upcoming inspections in a timely manner to ensure compliance. These items should be identified as "Component" within M5.

Opening and Closing work orders:

The employee in the front office, Automotive Parts Associate, Automotive Services Manager, and/or Associate Director of Automotive Services creates a new work order for repairs. Generally, the Manager/Associate Director will assign the work order to Automotive Tech I or II. The work orders are placed in a file box in the AS hallway. Automotive Tech I or II will be responsible for timely and accurate repairs, or making suggestions for complex repairs, to complete the work order and submit it to the Automotive Service Manager and/or Associate Director of Automotive Service.

Work Order Completion:

Step 1: Work Order assigned:

- Automotive Tech I or II works with the Automotive Parts Associate to retrieve or order stock and non-stock parts.

- The Automotive Parts Associate will bill the parts for the work order and then return the work order to the Automotive Tech I or II.
 - Note: Parts must be applied to the work order before being given to the Automotive Tech I or II.
- The Automotive Tech I or II records their notes of specific parts, repair details, and findings on the work order when repairs are finished, then returns the work order to the Automotive Parts Associate immediately after completion.
- The Automotive Parts Associate will be required to add the correct parts, commercial charges, and labor at the established Automotive Services rate structure to the work order.
- When the Technician finishes the repairs, both the Technician and the Parts Associate are expected to review the Work Order at that time. Once it is verified, the Parts Associate should complete their part immediately and place it in the basket for the Assistant Manager.
 - Note: Parts Coordinator is expected to have available Work Orders completed and placed in a basket by 11 am and 3:30 pm each day for the Automotive Service Manager.

Step 2: Work Order assigned to (Automotive Service Manager):

- The Manager of Automotive Services reviews each work order or job, confirms and/or adds any necessary parts (stock and/or non-stock), commercial charges, labor, and verifies the work order for accurate billing and notes. Then, if everything is correct, they forward the work order to the next step (Associate Director of Automotive Services).

Note: Once the work order has been assigned to the Automotive Service Manager, the manager must submit all completed work orders from the previous day to the Associate Director by 2 pm.

Step 3 (Final Step): Work Order assigned to (Associate Director of Automotive Service):

- The Associate Director of Automotive Services reviews each work order/job for accuracy.
- Adjust based on the accuracy of the work order. He/she can adjust accordingly based on accuracy or customer service.
- Must ensure that parts, commercial parts, labor, and professional documentation of the Automotive Tech I or II notes are visible on the work order.
- Ensure all inventory items are accounted for within the M5 Inventory system.

Note: The Associate Director will review and close the Work Orders.

Note: Errors (positive or negative), such as inaccurate labor time or rates, incorrect parts (stock or non-stock), or inaccurate commercial charges, must be reported to Administrative Assistant II of Fleet Management for documentation. Include the description, part number, invoice number, labor, commercial charges, and other relevant details of the errors. This should be done daily.

Hazard Communication Standard (Safety Data Sheets):

The Hazard Communication Standard (HCS) (29 CFR 1910.1200(g)), revised in 2012, requires that the chemical manufacturer, distributor, or importer provide Safety Data Sheets (SDSs) (formerly MSDSs or Material Safety Data Sheets) for each hazardous chemical to downstream users to communicate

information on these hazards. The information in the SDS is essentially the same as that in the MSDS, except that the SDSs must now be presented in a consistent, user-friendly, 16-section format. This brief provides guidance to help workers who handle hazardous chemicals become familiar with the format and understand the contents of the SDSs.

The Parts Associate is responsible for maintaining accurate and up-to-date SDS for every item within Automotive Services (including the containment room) and having the information readily available for everyone, as well as ensuring that the proper PPE is available for these items.

Limit the amounts of new and hazardous materials stored at AS to minimize the risk and size of spills. Store materials indoors and away from exterior doors and sewer drains to avoid accidental environmental releases.

When moving or dispensing materials, handle them properly to prevent spills. Carry one item at a time when you are moving or dispensing chemicals. Place multiple items in a rolling cart or tray instead of trying to carry them all at once. Check the containment room and dispensing areas for signs of leaks.

To prevent spills, use good storage techniques. Materials must be grouped in compatible ways and stored in suitable containers. Securely seal materials before storage. Keep materials sheltered and in the proper environment—post material storage areas with spill response procedures and emergency phone numbers.

The Parts Associate must check all chemical locations daily (including the containment building outside). If you cause or find a spill, immediately notify the Associate Director of AS and other staff in the area. If the spilled material is flammable or volatile, shut off flame sources and air the area out, if it is safe to do so. If possible, protect floor drains or outside access areas from the spill. Cone or rope off the spill area to prevent further access and potential exposures. If you or another person was exposed to the spilled material, use emergency eyewashes or showers for at least 15 minutes, move to a well-ventilated area, and seek medical attention if necessary.

The Parts Associate is responsible for identifying and promptly correcting spills, with the approval of the Associate Director of Automotive Services. Repeated spills must be eliminated. Contact Environmental Health and Safety at 205-348-5905.

Note: There should be an immediate plan to clean up the spill, regardless of its size.

Summary:

As you can see, many factors influence the University of Alabama Parts Room inventory. Challenges stem from communication, organization, accurate forecasting, staying engaged, and following procedures. This ensures we avoid running out of inventory, having excess, safety issues, and inaccurate or delayed departmental billing. There should be no oily rags, paper towels, cardboard, or similar

materials. These items, including those in the Chemical building outside, must be discarded properly and immediately.

About UA Box:

UA Box is a valuable tool for sharing and collaboration – folders and documents may be shared among users for distributed editing and viewing. UA Box has robust permissions settings, allowing collaborators to be either viewers or editors, and it maintains revisions of documents, ensuring that our work is never lost.

Accessing UA Box:

Log into your UA MyBama account. Click on the “Employee” tab. Search under the “Administrative System” area until you find “UA-Box,” then proceed to the file “Automotive Services – Parts Room.” This will be the area to upload the document.

Monthly Reporting:

Based on this SOP, there will be monthly reporting for checks and balances to ensure the SOP is followed.