

RECEIVING SHIPMENTS

The following procedures will be implemented by the Purchasing Department for the receiving of shipments.

1. **Receiving Slip.** The Receiving Clerk is responsible for entering receiving information in the Enterprise Resource Planning (ERP) system for all material received on a purchase order.
2. **Responsibility for Reporting Loss or Damage.** It is the responsibility of the Receiving Clerk to immediately notify the Purchasing Department of any loss or damage incurred in the shipment of material to or from the colleges.

The Receiving Clerk will forward a copy of the carrier's freight bill or delivery document bearing notation of shortage or damage to the Purchasing Department.

3. **Responsibility for Filing Claims.** The Purchasing Department is responsible for preparing, filing and negotiating all claims for loss or damage incurred in the shipment of material to or from the colleges which have been ordered on a purchase order. If material is purchased Free on Board (FOB) shipping point (or shipped FOB destination for materials being returned), the claim shall be filed with the carrier. Claims for material purchased FOB destination shall be filed with the vendor. Parcel Post claims shall be submitted directly to the destination post office.

Claims will be substantiated with the following documents as appropriate:

- a. all documents and correspondence received from the Receiving Department;
 - b. copy of freight bills and invoices;
 - c. copy of carrier's inspection report; and
 - d. documentation of additional costs claimed.
4. **Additional Costs Claimed.** The following costs incurred as a result of loss or damage in the shipment of material will be included in the claim:
 - a. costs of replacement of short or damaged material where replacements are obtained; and
 - b. costs of labor and material in repacking, repairing and reconditioning damaged material.
 5. **Damaged Shipments.** The Receiving Clerk contacts the carrier to request an inspection of the damages. The inspector and the location Receiving Clerk will sign the inspection report which will be forwarded to Purchasing. Carriers recognize their liability for two types of damage--apparent and concealed. Prompt examination of the shipment by the Receiving Clerk is essential to verify the apparent good order of each shipment.

- a. *Apparent Damage.* Where there is evidence of damage, the package or packages should be opened immediately, permitting a joint examination of the contents by the carrier's representative and the Receiving Clerk. The extent of the damage is to be noted on both the carrier's and the consignee's copy of the delivery documents and signed by the Receiving Clerk. The carrier's representative shall be required to note and initial the same documents. The Receiving Clerk shall enter the damage information in the ERP System.

In the case of partial damage to a shipment which does not render the material worthless, shipment should be accepted and a claim will be filed for the damage. If the material is damaged to such an extent as to make it worthless, delivery should be refused and a claim will be filed for the full value of the shipment.

- b. *Concealed Damage.* Damage discovered after the delivery of the shipment shall be reported to the Purchasing Department immediately. Damage information is to be entered in the ERP System. Unpacking shall not be completed. The container and packing material with merchandise shall be held for inspection by the carrier and issuance of an inspection report.

6. **Shortages in Shipments.** The Receiving Clerk will notify the vendor of the shortages and to request credit, or for an immediate shipment of the material. A shortage differs from a back order or partial shipment in that the vendor's packing slip indicates a quantity shipped in excess of that actually received. If the vendor responds that the shortage will not be shipped, the Receiving Clerk will notify the requisitioner to issue a change order to reduce the quantity to that received. There are several types of shortages which could occur in the shipment of material to the District. These include shortages in the number of pieces or packages received, loss of contents, and shortages in the contents of the packages.

- a. *Shortages in Pieces Received.* The number of pieces or packages received in a shipment is to be checked by the Receiving Clerk against the number indicated on the delivery document. In the event of any variance, a notation to that effect is to be placed on both the consignee's and carrier's copies of the delivery document and signed by the Receiving Clerk. The carrier's representative (truck driver) shall be required to note and initial the same documents.

Subsequently, the packages are to be opened and checked against the packing slip or bill of lading to determine the missing material. The Receiving Clerk shall enter the shortage in the ERP System.

- b. *Loss of Contents.* When a package indicates possible pilferage or loss of contents, notation to the effect is to be made on the delivery documents in a similar manner to "Shortages in Pieces Received."

- b. *Shortages in the Contents of Packages.* Packages are to be opened as soon as possible after their delivery and the contents checked against the packing slip or bill of lading. Any variance is to be entered in the ERP System.

7. **Return of Material.** Return of material to the vendor requires prior arrangement with the Purchasing Department. If stock is defective, not as ordered or ordered in error, the requisitioner will request from the Receiving Clerk to return the material to the vendor. The Receiving Clerk will request from the Purchasing Department a Return Material Authorization (RMA).

The Purchasing Department shall notify the Receiving Department to return the material to the vendor.

8. **Overshipments.** When the vendor overships the quantity listed on the purchase order, the Receiving Clerk shall notify the District Purchasing Department. The requisitioner will be contacted through the College Business Office to determine if the overshipment is to be returned or retained with a change order issued to increase the quantity to that received. If the overshipment is to be returned, the Purchasing Department will request a RMA for the return of materials from the vendor and notify the Receiving Clerk to ship the materials back to the vendor.