

 <p style="text-align: center;">Massachusetts Department of Correction POLICY</p>	Effective Date <p style="text-align: center;">6/26/2026</p>	Responsible Division <p style="text-align: center;">Deputy Commissioner, Administration</p>
	Annual Review Date <p style="text-align: center;">6/26/2026</p>	
Policy Name <p style="text-align: center;">103 DOC 339 MATERIALS AND SUPPLIES INVENTORY AND CONTROL</p>	M.G.L. Reference: Chapter 124, § 1(c) and (q)	
	DOC Policy Reference: 103 DOC 340	
	ACA/PREA Standards: 1-CTA-1B-08; 5-ACI-1B-13; 2-CO-1B-08	
Attachments Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	Library Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	Applicability: Staff
Public Access Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>		Location: Department Central Policy File Each Institution's Policy File
<p>PURPOSE: The purpose of this policy is to establish Department of Correction (Department) procedures concerning materials and supplies, inventory and control.</p> <p>RESPONSIBLE STAFF FOR IMPLEMENTATION AND MONITORING OF POLICY: Deputy Commissioner, Administration Executive Director, Administrative Services Superintendents Fiscal Officers</p> <p>CANCELLATION: 103 DOC 339 cancels all previous Department policy statements, bulletins, directives, orders, notices, rules and/or regulations regarding materials and supplies inventory and control which are inconsistent with this policy.</p> <p>SEVERABILITY CLAUSE: If any part of 103 DOC 339 for any reason is held to be in excess of the authority of the Commissioner, such decision shall not affect any other part of this policy.</p>		

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339.01

DEFINITIONS

Audit: An examination of agency or institution operations, programs or accounts which is conducted by a person or persons not directly involved in the area being assessed. An independent audit results in an opinion regarding the adequacy of the area assessed.

Expense Item: Materials and Supplies that are received and immediately distributed to end users and therefore not included on the perpetual inventory.

Materials and Supplies: Expense and non-expense items that are requisitioned and received by an institution or division.

Non-Expense Item: Materials and Supplies that are received and stored for future use.

Perpetual Inventory: System of inventory control in which the number of units of any inventory item on any day can be obtained from the stock records. In this method all additions and withdrawals are recorded in inventory cards or an Excel spreadsheet as they occur to provide a running balance of quantity on hand.

Purchase Requisition: An initial request for goods or services which should include: item, quantity, approximate price, date needed, and proposed vendor. Said requisition is completed by authorized signatories and forwarded to the appropriate Fiscal Office.

Standard Order: Term for a preauthorized periodic issuance of specific items to a specific location.

Storekeeper: Staff member assigned to oversee the safekeeping, inventory, receipt, and issuance of materials and supplies from a general storeroom.

Tickler File: A file that serves as a reminder and is arranged to bring matters to timely attention.

339.02

GENERAL RECEIVING PROCEDURES

- A. All materials and supplies (M&S) received by an institution or division shall be documented by signing packing slips and/or completing Attachment #1, Acknowledgement of Receipt of Goods/Services form, . The staff member receiving the item(s) must print their name, sign their name, and date the receiving document. Receiving documents must be presented to the Treasurer's office for transmittal to their assigned contact in Fiscal Services.

- B. Receiving documentation must be provided to Treasurer's office and Fiscal Services daily by end of business so not to lose prompt pay discounts.
- C. Fiscal Offices shall distribute a copy of executed purchase requisitions with the assigned purchase order number annotated to the Storekeeper or receiving entity. The receiver shall utilize the purchase requisition to properly compare what was ordered to what is delivered.
- D. All M&S items to be stored at the general storeroom or other designated storage areas (e.g., fuel tanks) under the control of the Storekeeper, except for office supplies and business forms, shall be posted to a perpetual inventory medium as approved by the Executive Director of Administrative Services.
- E. Perpetual inventories are maintained for assurance that institutions have materials and supplies available for day-to-day operations. As such, re-order points should be locally developed so that a reasonable on hand quantity of supplies is available for institution operations.

339.03

THE GENERAL STOREROOM

- A. Articles received at the general storeroom or at a location under the control of the Storekeeper which are to remain there for future use shall be recorded on a perpetual inventory medium. The only exception shall be office supplies and business forms. Goods which are impracticable to be delivered directly to the general storeroom such as: animals, fuels, or other items in large quantities may be delivered and stored in other locations that are under the control of the storekeeper.
- B. If articles received at the general storeroom or at locations under the charge of the storekeeper/receiver are not to be stored for future use, then the Storekeeper shall accept, receive and then arrange delivery or have them picked up by the pertinent division, department, or area in the institution. These items shall be considered to be expensed and shall not be entered into inventory.

339.04

STORAGE AREAS NOT CONTROLLED BY THE STOREKEEPER

Expense items used by the carpenter, plumber, electrician, garage, etc. that are kept for future use in the storage areas belonging to said employees shall be received at the general storeroom and forwarded to and stored in those specific areas. Since they are "expensed", no entries shall be made for them in the perpetual inventory medium. However, articles used by said areas but stored in the general storeroom shall be considered M&S items, recorded in the inventory and treated like other stock items, in regard to their issuance.

339.05

BREAKAGE, DAMAGE, SPOILAGE, AND TRANSFERS

Items removed from inventory due to breakage, damage, spoilage, or transfer to other institutions shall be documented and approved by the Manager or designee that oversees the storage area. In no instance shall such approval be made by the Storekeeper or entity that maintains the perpetual inventory. Such items shall be entered into the perpetual inventory record as issued. Transferred items shall also be entered as received into the perpetual inventory record by the institution the items were transferred to. Approval documents shall be retained for audit purposes.

339.06

THE MATERIALS AND SUPPLIES INVENTORY AND CONTROL CYCLE

A. Purchase of Materials and Supplies

1. The Fiscal Office shall order materials and supplies upon receipt of a properly authorized purchase requisition and evidence of available funding. (Policy 103 DOC 340, *Departmental Purchasing Procedures* can be reviewed for a detailed view of the various purchasing methodologies).
2. The Fiscal Office distributes the purchase orders (encumbrance documents) as required and sends a copy of the executed purchase requisition with the purchase order number annotated on it to the receiving area. The receiving area shall place the executed purchase requisition and purchase order in a tickler file pending delivery.

B. Receipt of Materials and Supplies

1. Upon delivery of items by carrier the Storekeeper/receiver shall review the delivery receipt. A delivery receipt typically will only list the number of packages being delivered and may only list the number of pallets. The Storekeeper/receiver shall gain assurance that the delivery is expected and supported by a pending executed purchase requisition.
 - a. The carrier will identify the number of packages that make up the shipment.
 - b. The Storekeeper/receiver shall inspect the shipment for completeness and condition. The receiving document (e.g. delivery receipt, receiving/packing slips, work orders) must contain the Storekeeper's/receiver's printed name, as well

as be signed and dated on the date the item(s) were received

- c. Any discrepancies, damage or suspected concealed damage shall be brought to the attention of the delivery person and noted on the bill of lading or carriers' delivery receipt.
 - d. If discrepancies are detected prior to the carrier's departure the Storekeeper/receiver shall have the delivery person sign the delivery receipt to acknowledge the noted discrepancies. If the carrier has departed prior to the discrepancy being detected the Storekeeper/receiver will note the discrepancy on the delivery slip. Corrective action will also require the following steps:
 - i. The shipment shall be kept in the delivered state if possible and all cartons and packaging retained.
 - ii. Notify the Treasurer's office immediately to bring a resolution to the problem.
 - iii. Do not open any of the packages or use any of the products until authorized by the Fiscal Office through the Treasurer's office.
 - iv. When all problems with the delivery receipt have been resolved, Storekeeper/receiver may complete the receiving process.
2. The Storekeeper/receiver shall open the cartons and packages and compare the contents to the accompanying packing slip and to the executed purchase requisition and purchase order.
- a. The packing slip must match the description and count of the physical product. If a discrepancy is detected it must be detailed in writing to Treasurer's office and forwarded to Fiscal Office as an exception.
 - b. The packing slip and items delivered must match the executed purchase requisition and purchase order. If a discrepancy is noted, such as the wrong item was delivered, the Fiscal Office, through the Treasurer's office, must be notified for direction and resolution of the problem.
3. The Storekeeper/receiver shall send the signed and dated packing slips and/or Acknowledgement of Receipt of Goods/Services form (Attachment #1) to the Treasurer's office, whom shall then forward to the Fiscal office to be processed for payment. The Storekeeper/receiver shall add all non-expensed items to the perpetual inventory.

C. Issuing Materials and Supplies

1. The three-part Store's Requisition Form (CD-8A, Attachment #2) is filled out by the area or cost center that is requesting materials and supplies from the general storeroom. The CD-8A includes the following information:
 - a. Date;
 - b. Requesting area (cost center);
 - c. The signature of the supervisor of the area that is requesting the issuance of goods;
 - d. Item and description;
 - e. Quantity requested;
 - f. The signature of the manager or designee responsible for approving the issuance of goods;
 - g. Initials of the individual issuing the items;
 - h. Signature of person items are delivered to.
2. The original and first copy shall be sent to the manager or designee responsible for the oversight of the storeroom who shall review the request, make any required adjustments and then forward the approved requisition request to the Storekeeper so that the order can be processed. The second copy shall be retained by the requesting entity pending delivery of the items.
3. The Storekeeper shall then issue the goods, obtaining a signature of receipt from the person accepting delivery or picking up the order. The Storekeeper shall provide the first copy of the CD-8A as a receipt to the individual signing for the goods.
4. The Storekeeper shall post the issuance to the perpetual inventory and file the original copy of the stores requisition slip as supporting documentation for the issuance.
5. The Storekeeper shall file supporting documentation for issuances by operational area or cost center to facilitate reviews of issuance to that operational area/cost center as required.
6. It is acceptable that approved Standard Order Forms be copied and utilized in lieu of CD-8A's as supporting documentation for approved standard weekly/monthly issuances. Any issuance quantity changes to the standard order should be annotated on the copied document.

D. Inventory Procedures

1. Physical inventories of all Materials and Supplies shall be taken, at the minimum, twice annually including June 30th. Physical

inventories shall be properly supervised and/or spot checked by the manager or designee that oversees the storage area.

2. The physical inventory of stock M&S items shall be compared to the perpetual inventory. Differences shall be noted, investigated, and where needed adjustments, shall be made to the perpetual inventory. All such adjustments shall be reviewed and authorized by the manager or designee that oversees the storage area. In cases where adjustments appear to indicate the misappropriation or mismanagement of inventory goods, the Manager or designee shall notify the Superintendent and the Executive Director of Administrative Services.
3. Overall shortages/overages shall be summed and the Report on Unaccounted for Variances, Losses, Shortages, or Thefts of Funds or Property (Attachment #3) shall be completed and sent to Support Services who shall consolidate said reports Department-wide and forward to the Office of the State Auditor as required.

339.07 **ACCESS TO RECORDS**

The Executive Director of Administrative Services or designee shall have access to all institutions and their fiscal records for audit purposes to determine compliance with this policy.

339.08 **RETENTION OF ACCOUNTING RECORDS/SOURCE DOCUMENTS**

The Department (facility/institution) copy of all fiscal documents shall be systematically filed to facilitate later retrieval for audit purposes.

339.09 **RESPONSIBLE STAFF**

The Executive Director of Administrative Services or designee, under the supervision of the Deputy Commissioner of Administration, shall be responsible for implementing and monitoring this policy throughout the Department. Also, the Executive Director of Administrative Services or designee shall have access to all institutions and their fiscal records. Each Superintendent and Department Head shall be responsible for implementation of this policy in their institution or division and for development of any and all necessary and appropriate institution/division policies and procedures.

**Report on Unaccounted for Variances, Losses
Shortages, or Thefts of Funds or Property**

TO: Office of the State Auditor

From: _____

Date: _____

Agency: _____

Address: _____

Agency Contact (Name, Title, Phone #): _____

Date Detected: _____

Explanation of Condition:

Cause of Condition:

Amount of Funds Involved:

Appropriation Accounts, Trust Funds, Checking Accounts, ect. involved (List all the particulars, i.e., account numbers, banks, amounts, ect.)

Agency Division or Section Involved:

Individual (s) Aware of Incident:

No. of Individuals Having Access to Accounts / Funds Affected:

Other Pertinent Information:

Report Completed By (Name, Title, Phone #):

Send To: Office of the State Auditor
One Ashburton Place, Room 1819
Boston, MA 02108