Material Master

Remember the SAP/SCEIS definition of a Material Master record. A Material Master is a data record containing all the basic information required to manage a material. This data is sorted according to various criteria including data of a descriptive nature (such as size, dimension and weight) and data with a control function (such as material type and industry sector). In addition to this data, which can be directly maintained by the user, it also contains data that is automatically updated by the system (such as stock levels). A Material Master record uniquely defines a material in SCEIS. As a general rule, a Material Master record must exist for each material managed in a company. This record is stored under a system generated 6-digit material number. The Material Master will house basic data about materials that are purchased and inventoried in the State.

SCEIS Inventory Description Standard

1. SCEIS Material Master Description will be limited to a "short" description of 40 characters. There is another "view" in SCEIS which provides more than sufficient room for additional description. That 'View' is titled, BASIC DATA TEXT. Information put in the BASIC DATA TEXT field must apply system-wide.
2. Use all CAPITAL LETTERS in your description.
3. Begin with the Noun that describes the material.
4. Do not abbreviate the Noun.
5. The Noun must be singular, not plural.
6. Use Commas to separate nouns, adjectives and attributes.
7. Spaces are permissible to delineate measurements and dimensions:

   BOX,CORRUGATED,12 1/2"X 6 3/4"X 12 1/2"

   TAPE,ELECTRICAL,VINYL, 3/4" X 60',BLACK

   CABLE TIES,NYLON,1/4" X 8 1/2"

   BATTERY,C,ZINC CARBIDE

SCEIS Material Management Definition of Inventory

➤ Inventory is material which is expensed at the time of consumption and not at time of purchase
➤ Inventory may be Valuated or Non-Valuated
➤ Inventory has a unique identifier (Material Master Number)
➤ Inventory is stored in designated physical locations
➤ Inventory may be replenished automatically by setting a system re-order triggers (Material Requirements Planning, MRP)
➤ Inventory is NOT a Fixed Asset

➢ Inventory DOES NOT have to be greater than 100K in value as reported to the Comptroller General
➢ Inventory is any item that is tracked by Quantity and Price or Quantity Only

SCEIS Material Management Philosophy

In SCEIS, a Material Master and its associated Description will be created for each **unique** item. Therefore, if several manufactures produce the **same item** (interchangeable) then only one Material Master is required. SCEIS will procure, store and sell the product under the one Material Master number. This new philosophy provides the procurement staff the flexibility to procure the Material Master from several different qualified sources of supply and still meet the requirements of the SCEIS Material Master Description.

The advantages of this new philosophy are:

- It will reduce on-hand inventory and its corresponding value
- It will free-up funds for inventory procurement
- It will reduce inventory obsolescence

A new focus should be applied as what items are classified as "inventory" and what items are procured for direct "consumption" purposes. Inventory type items should be identified as:

- Safety-Stock item
- long vendor lead time
- high rate of demand {buying in bulk provides an advantage to the state}

Products that are readily available from a vendor within a 48 hour turn around should be procured directly from the vendor and not placed into the inventory.

For those items that do not meet the above criteria, you will use your agency's normal non-stock procurement process. Contracts may be established to facilitate the non-stock process if required.

As always, the SCEIS Material Management team is available to answer your questions.

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