6.1. DC Receiving

Visuals

What

Store success hinges on our ability to treat DC Receiving as a continuous process of preparation on Non-Truck Days, properly receiving the delivery on Truck Days, submitting for credits within **24 hours** and following up to ensure credits are posted in the system within **10 days**.

GOAL: To provide a roadmap for properly preparing your back room in the day(s) leading up to the delivery, a framework for your truck day routine and an outline of the Credit and Return Process.

Why

- DC Receiving procedures are vital to promote accurate inventory management, shrink prevention and customer satisfaction
- Accurate receiving procedures will improve inventory management to ensure we are receiving all items for which we are being billed
- Diligent receiving practices will provide ~~our~~ customers with quality product while minimizing the potential of inventory loss

When

Non-Truck Day Preparation
- Performed on day(s) leading up to delivery

Truck Day Activities
- Conducted prior to delivery, upon arrival of delivery, during unloading and after unloading

Credit and Return Process
- ~~Store submits~~Submit credit within **24 hours** of receipt
- DC notification of approval/denial within **24 hours** of credit submission
- Credit posted to *WTS Report* within **10 days** of credit submission

How

DC Receiving Cycle
1. Non-Truck Day Preparation
2. Truck Day Activities
   o Prior to Delivery
   o Arrival of Delivery
   o Unloading
   o After Unloading
3. Credit and Return Process

1. Non-Truck Day Preparation
- Organize grocery backstock area, coolers, and freezer to work existing stock and create space for incoming product
  - Review sales floor product levels
  - Work backroom stock to the sales floor as needed
  - Organize coolers and freezers prior to delivery to ensure efficiency of unloading temperature-controlled products from the truck
  - Refer to *Warehouse Organization SOP* for more information
- Prepare dunnage for pick up using safe material handling and lifting practices (ask for assistance if needed)
  - Neatly stack pallets by type –
    - Chep (blue) – 9 to 14 Pallets per Stack
    - Peco (red) – 9 to 14 Pallets per Stack
    - White Wood (standard) – 11 to 17 Pallets per Stack
    - IGPS (black) – 9 to 14 Pallets per Stack
    - Plastic Pallets (black) – 13 to 26 Pallets Per Stack
  - Stack empty milk crates on a plastic pallet and shrink wrap to ensure stability of the load (Max of 54 crates – 9 stacks, 6 per stack)
  - Create a bale of cardboard if baler is full
  - Organize empty ice cream boxes, cardboard bales, plastic & banana blankets at the back door
- Charge powered pallet jack
- Clean warehouse & sales floor
  - Complete a detailed cleaning/sweeping of the warehouse, sales floor, and shelving prior to receiving new inventory

2. Truck Day Activities
- Prior to Delivery
  - After verifying delivery date, print the invoice and separate pages by the five categories
    - Grocery (001)
    - Frozen (002)
    - Cooler (003)
    - Meat (004)
    - Produce (005)
  - Make probe and infrared thermometers available for product temperature checks
    - Ensure probe thermometer is calibrated prior to use following the steps below:
      - Make mixture of water and ice
      - Let sit for **4-5 minutes**
      - Place probe in a mixture of ice and water until it reads 32°F
    - Ensure the infrared thermometer is operational and available at the receiving door to quickly assess external product temperatures
  - Utilize the *Load Audit* in Go Spot Check to capture important information about the delivery that will be shared with our Distribution partners
- Arrival of Delivery
  - Check the reefer temperature immediately upon arrival of the truck
    - Acceptable range between 33° F and 38° F
    - If there is a temperature discrepancy, contact the DC immediately
  - Obtain the *Pallet Verification Form* (Delivery Manifest) and *Dunnage Form* from the driver
  - A Store Representative must break the seal on the trailer (not the driver)
  - Confirm the following items using the information on the invoice and *Pallet Verification Form*
    - Store number and address
    - Physical seal number matches the printed seal number on the *Pallet Verification Form*
    - Load number on the invoice matches the load number on the *Pallet Verification Form*
    - If there are any discrepancies, contact the DC immediately
- Unloading
  - As pallets are unloaded, each pallet ID number on the label must be verified and cross referenced using the *Pallet Verification Form* (Delivery Manifest).
  - 30 Minute Cold Chain Policy – 30/30 Rule
    - Product requiring refrigeration MUST be placed in the appropriate walk-in cooler/freezer within **30 minutes** of receipt

- - - Once removed from the walk-in cooler/freezer, the cold product MUST be worked/stocked within **30 minutes** on the sales floor
  - o The *Dunnage Form* must be used by the driver and verified by the manager receiving the load to document the condition of all equipment received
  - o Once all pallets have been unloaded and accounted for, a store representative will sign-off on the driver's copy of the *Pallet Verification Form*
    - - If there is a pallet discrepancy, contact the DC immediately
- - After Unloading
  - o Bananas
    - - Inspect banana quality using the *Banana Color Guide* to assess ripeness
    - - Conduct temperature check of two bananas, one from top case and one from bottom case using a probe thermometer (acceptable range between 55° F and 65° F)
      - - Insert probe thermometer into the banana
      - - Wait until the temperature gauge stabilizes
      - - Note the final temperature and input information into the *Load Audit*
      - - DO NOT sell probed product. Place the bananas used for testing in the Produce ID loss bin or dispose immediately
    - - Open all banana cases and cross-stack boxes onto a U-boat or pallet to allow air flow and extend product quality
  - o Meat Temperature Check
    - - Conduct temperature check of one beef item, one chicken item and one pork item using a probe thermometer (acceptable range between 28° F and 35° F)
      - - Place the probe thermometer between two packages. DO NOT probe product or break mother bag.
      - - Wait until the temperature gauge stabilizes
      - - Note the final temperature and input information into the *Load Audit*
  - o Item Verification
    - - To spot check the accuracy and quality items that are high quantity or high value, use the invoice and identify a recommended 5 items in each of the following departments: Meat, Produce, Cooler, Frozen and Grocery (25 items total)
    - - Use the invoice to verify the following:
      - - Correct item
      - - Correct quantity
      - - Correct weight if applicable
      - - Product is free from quality issues
        - o Product that looks/smells foul or spoiled
        - o Packages that are damaged, torn, soiled, or have missing/illegible labels
        - o Cases with stains that indicate that they might have been contaminated by water, toxic materials or pests
        - o Food labeled frozen and shipped frozen needs to be received frozen
    - - After the truck has been stocked, walk the sales floor paying special attention to Out of Stocks (OOS) and low product levels to identify potential DC shorts
      - - If it is believed that items have been shorted, refer to the invoice to review known DC Stock Outs
      - - If shortages are confirmed, submit a three-sheet request for immediate delivery if needed and request credit
  - o Price Verification
    - - After each delivery verify that the Suggested Retail Price (SRP) on the invoice does not exceed the current ad price for ALL meat and produce ad items
      - - Check the SRP column on the invoice for each produce and meat ad item
      - - ~~Escalate~~ Report any price discrepancies ~~to the District Manager and fill out a ticket on~~ to ~~ServiceNOW~~ ServiceNOW as needed
  - o Backstock Dating and Rotation

- All Fresh Meat, Produce, Frozen and Cooler cases must be dated and rotated when placed in backstock ensuring closest dated product is on top to ensure existing backstock product is worked to the sales floor first
  - Notate the Receiving Date in black marker and Scale by Date in red marker on all fresh meat cases Reference the *Fresh Meat Dating Calendar* for Scale by Dating guidance)
  - Produce, Frozen and Cooler cases can be DATED with the Receiving Date in black marker
- Grocery back stock, cases should be rotated to ensure existing product is worked to the sales floor first
  - If initiated be sure to submit the *Load Audit* in Go Spot Check

3. Credit and Return Process

- Store Credit Submission
  - All discrepancies discovered in the unloading process MUST be emailed to the DC Credit Department email box within **24 hours** of delivery receipt
  - When emailing for credit, include the following information:
    - Store number
    - Contact Name
    - Invoice number of product categories with discrepancies
    - Invoice date
    - Item code
    - Quantity
    - Reason for request
    - Contact name and phone number
  - For ease of tracking, document the following information on the *Credit Memo Log*:
    - Date of Truck Delivery
    - Date of Credit Request
    - Invoice number of product categories with discrepancies
    - Item Description
    - Item #
    - Amount of Credit Request ($)
  - Keep the *Credit Memo Log* on a designated clipboard in the store manager's office
- DC Response – Credit Approval or Denial
  - DC will respond via email within **24 hours** with approval or denial (**Monday – Friday**)
    - Requests submitted after **2 PM Friday** will be entered on **Monday**
    - If the store did not receive a response in the allotted timeframe or is dissatisfied with the decision to deny credit for any reason, escalate to the Area Business Partner or Regional Director
  - Document the following credit approval / denial information on the *Credit Memo Log*
    - Credit Approved (Y/N)
    - Date of Credit Memo
    - Credit Memo #
    - Retail Amount ($)
  - Credits may be denied by the DC Credit Department for various reasons including:
    - Failure to request credit within **24 hours** of receipt
    - Failure to return merchandise as requested
    - On-site visit reveals product was received
    - Store created damage
- Credit Posting
  - Utilize the *WTS Report* to track posting of credit on **Thursday mornings**
    1. Login to the SAL Browser (Select Applications / Products & Procurement / Ordering)
    2. Select *WTS Report*
    3. Select Week Ending Date using the dropdown box
    4. Click Submit
    5. Scroll down to the credit memo information
    6. Cross reference the items on the *Credit Memo Log* against the information on the WTS Report

7. If the item appears on the *WTS Report*, indicate 'Yes' in the Credit Posted column on *Credit Memo Log*
   - o If a submitted credit has been approved, but not posted on the *WTS Report* within **10 days**, contact your ABP for follow-up

- Returns
  - o The DC should not require a return for credit approval if photos and detailed information about the issue is provided in the *Load Audit*
  - o If a return is required by the DC, the store must call the DC for an *Authorization for Return Form*
  - o In the case of returns, place product on a pallet, label with 'Return to DC' and shrink wrap the load to prevent it from being worked to the sales floor

- Execution of backroom organization procedures to assist in the efficiency of DC receiving
- Conduct required temperature checks for each delivery to ensure product safety
- Uphold Cold Chain Integrity for product with temperature control using the 30/30 Rule
- Review and verify incoming pallets, product type, quantity, price and quality match what we areis billed
- Dating and rotation execution
- Timely submissions and tracking of credits

- *Warehouse Organization SOP*
- *Load Audit* in Go Spot Check Application
- *WTS Report* via SAL Browser
- ServiceNOW
- *Authorization for Return Form*
- *Banana Color Guide*
- Delivery Paperwork
  - o *Dunnage Form*
  - o *Pallet Verification Form* (Delivery Manifest)
- Powered Pallet Jack
- Printed Invoice
- Blue / Black Pen
- Infrared Thermometer
- Probe Thermometer
- Current Ad
- Black Permanent Marker
- Red Permanent Marker

Reference Material in the Document Repository
- *Credit Memo Log*
- *Fresh Meat Dating Calendar*
- Go Spot Check User Guide
- *SAL Browser User Guide*
  - o *eInvoices – pg. 58*
  - o WTS Report 45
- *6.1.1 DC Receiving - Training PPT*