

MAJOR TOOLS  
PROCUREMENT CONTROL AND INVENTORY

1. GENERAL

- 1.01 This Section describes activities and reports concerning major tools.
- 1.02 This Section is reissued to:
- (a) Include information contained in Addendum 742-020-901SW, Issue A, July, 1978, that is now cancelled.
  - (b) Update titles and account codes after reorganization.
  - (c) Require that Crew Numbers be placed on all major tools.
  - (d) Emphasize that FA Form, SW-6265 A/F is used to order major tools and test sets through Western Electric.
  - (e) Emphasize that all major tools "lost" and "found" are reported on FA Form S-6312.
- 1.03 References to "Tools" in this Section shall be those major tools, portable test sets and other work equipment reported under field reporting codes 40C and 60C as listed in the Accounting Handbook Telephone Plant, Section V27.703.1.

2. REQUISITIONS

- 2.01 FA Form SW-6265 A/F, Supplies Requisition, shall be prepared as outlined in BSP 743-050-902SW. The FA Form SW-6265 A/F is used to order major tools and test sets through the Western Electric Company. Major tools, minor tools and other supplies must be ordered on separate FA Form SW-6265 A/F. If major tools are ordered, the notation "Major

Tool" must be entered on Line 01. Also, indicate whether the tools are "replacing" or "additional". The tool description must be in agreement with the Telecommunication Products Catalog, Southwestern Engineering Letter, etc.

NOTE: Direct purchases of approved telecommunication products or services under an approved American Telephone and Telegraph Company or Southwestern Bell Telephone Company contract shall be governed by Section 790-100-930SW. FA Form SW-5078 is used to order these items. This includes Major Tools, Test Sets and such other products or services as covered by provisions of Joint Practice 24.

2.02 The Field Service-Copy (Copy #6) of each FA Form SW-6265 A/F shall be filed with Report FZ 17, Tool and Equipment CPR Record (Exhibit 1). Report FZ 17 shall be used by the field as the annual crew tool record. The remaining copies of FA Form SW-6265 A/F shall be forwarded for district and division level approvals. Approved FA Form SW-6265 A/F shall then be forwarded to the Materials Management Office or forwarded as prescribed by the General Manager-Residence Services, General Manager-Business Customer Services, General Manager-Network Distribution Services or General Manager-Switched Services for further processing.

2.03 Upon receipt of the tools; post the descriptive name, the quantity received, the actual date received, and the requisition number to FZ 17. Sign, date and promptly forward to the Comptrollers Department, the Packing Slip (Copy #2) in accordance with the instructions on the reverse side.

2.04 Crew numbers will be placed on all major tools (except the 188 Test Set) to provide proper identification and responsibility. The method of identifying major tools by crew numbers shall be determined locally depending upon the type of tool and facilities available for marking the tool. Some suggestions are ink or paint stencils, metal or plastic tags, stick on labels, electric engraving tool, etc.

CAUTION: The attachment of an identification tag to the flashguard of a 188A Test Set using rivets, nullifies the 30,000 volt protection of the 188A Test Set handle. Under no circumstances should any modification, especially any penetration of the Test Set housing, be made. This includes adhesive identification plates and etching or scratching identification marks into any surface of the 188A Test Set. A serial number is provided on every 188A Test Set handle. No two serial numbers are alike. The serial number should be used for tool identification purposes.

2.05 Major tools shall not be purchased locally except in an emergency. Tools purchased in this manner must have division level approval and the General Trade Purchase Order procedure shall be followed.

2.06 Major tools shall not be ordered during the annual inventory month unless an urgent requirement exists. This will assure that uncompleted paper transactions will be at a minimum.

### 3. TRANSFERS

3.01 All tool transfers (including temporary loans longer than 30 days) between crews, Districts, Divisions and States shall be reported on FA Form SN-65, Material Transfer Report. BSP 741-001-905SW contains

instructions for preparing FA Form SN-65. An extra copy of FA Form SN-65 shall be filed with the FZ 17. The tool transfer shall be posted by both crews involved in the transaction.

3.02 Transfers of tools shall be kept to a minimum during the annual inventory month.

### 4. REQUIREMENTS

4.01 FA Form S-6312, Salvage Adjustment and General Equipment Retirement Report shall be prepared as outlined in BSP 741-001-903SW. It is important that FA Form S-6312 be prepared and forwarded to the Comptrollers Department without delay for tools that are: lost, stolen, destroyed, disposed of as worthless, returned to the Western Electric Company (except returns for immediate repair and return) or the reversals of previously reported retirements.

NOTE: Tools unrepairable or junked by a repair location on RS/R Form SD 44.326 require FA Form S-6312 to be prepared by the originator. This will ensure accurate disposition of the Tool and Equipment CPR Record - Report FZ 17.

4.02 A copy of the FA Form S-6312 shall be filed with the FZ 17. Post the "report number" and date on the FZ 17 opposite the tool being retired.

4.03 Retirements of tools should be kept to a minimum during the annual inventory month.

### 5. TOOL & EQUIPMENT CPR RECORD-REPORT FZ 17

5.01 The Tool and Equipment CPR Record - FZ 17 is the annual tool inventory record. This report is prepared annually by the Comptrollers following the annual tool inventory and forwarded to Residence Serv-

ices, Business Customer Services and Network Distribution Services. A copy of Report FZ 17 shall be used as the field's annual crew tool record. To this record shall be posted all purchases, transfers, retirements, losts and founds during the following inventory year. (See Exhibit 1)

6. MONTHLY TOOL & EQUIPMENT CPR RECORD -  
REPORT FZ 16

6.01 Each month the Comptrollers will furnish, by Crew Number, a Monthly Tool and Equipment CPR Record (Report FZ 16) which lists the additions, transfers and retirements of tools for the proceeding month. (See Exhibit 2). If a crew has no tool activity for the month, no report will be furnished. (See Exhibit 3)

6.02 The report will be provided by the 25th day of each month in duplicate to the Materials Management Office. The report will be forwarded to the field after review.

6.03 The FZ 16 shall be checked against the FZ 17 to see if all activities for the month under report are listed. If the list does not contain all of the activities for the period, make a correcting notation in the "Remarks" column. (See Exhibit 2). Show the number and the date of the requisition, transfer or retirement report involved. If an activity is listed which does not apply to that Crew make a notation to this effect in the "Remarks" column.

6.04 Return one signed copy of the list, with the discrepancies noted, to the Materials Management Office who will forward the list to the Comptrollers Department. File the other copy with the FZ 17. The Comptrollers Department will investigate the discrep-

ancies. Omitted transactions will normally appear on the next month's FZ 16. If additional information is required by the Comptrollers Department, they will contact the Materials Management Office.

6.05 If the monthly list agrees with the FZ 17, no further action is required. File one copy with the FZ 17 and forward the other copy to the district level supervisor with the agreement of items so "noted".

7. CHECK OF RECORDS

7.01 Periodic checks should be made by the field supervisor to determine the accuracy of the FZ 17. Any difference should be investigated and adjusted immediately.

7.02 The Materials Management Office should make periodic checks of tool records to assure that they are being maintained properly and that records and tools are in balance.

7.03 When a supervisor is assigned to a new location or a new work crew, a physical inventory of all major tools and test sets on hand must be performed and compared to the Tool and Equipment CPR Records Report FZ 17, and Monthly Tool and Equipment CPR Records Report FZ 16 for that Crew Number. Any differences between the "field count" and the "end balance" will require FA Form S-6312 to be prepared immediately to reconcile tool records. A brief explanation of tools "lost" or "found" should be noted on Report FZ 17. (See Paragraph 10.02 and Exhibit 1)

8. BILLING EMPLOYEES FOR TOOLS LOST OR STOLEN

8.01 Employees may be billed for lost or stolen tools when, in the judgment of the employee's supervisor, it appears that the employee is guilty of unwarranted carelessness or negligence. The approval of a division level supervisor must be secured in each case.

8.02 Tools should be billed on the basis of 75% of the average price maintained by the Comptrollers Disbursement Office.

8.03 The Comptrollers Disbursement Office must be informed, by letter, by the division level supervisor when to bill employees for tools.

9. PREPARATION FOR ANNUAL INVENTORY

9.01 In April, the field supervisor should physically check the tools against the FZ 17. If discrepancies exist, investigate and adjust the differences with a brief explanation on the adjustment papers; i.e., FA Form S-6312 or FA Form.

NOTE: FA Form S-6312 (See BSP 741-001-903SW) shall be prepared currently on all "lost" and "found" major tools to ensure an accurate disposition of the items. This will prevent an inventory "shortage" or "overage" on the annual inventory and will result in less time spent on investigation and explanation.

9.02 The Supervisor shall:

(a) Review the FZ 17 to ensure that all transactions have been reported and that postings are correct and current;

(b) See that all outstanding shipping receipts, material transfer reports, local purchase order receipts, salvage adjustments, plant retirement reports, and the triplicate copies of FA Form SW-6381, Returned Material Notice, are signed and forwarded promptly. Some cases may require that a Form S-6199, Duplicate Shipping Receipt, be prepared if shipments are received but no shipping receipts, etc., are received;

(c) In order to avoid uncompleted paper work during the annual inventory month all tool transactions should be held to a minimum.

9.03 The Materials Management Office should instruct the field to forward to the Comptrollers all outstanding FA Forms SN-65; FA Forms S-6312; the triplicate copy of FA Forms SW-6381; and all shipping receipts affecting transactions made on or before the date of inventory.

9.04 The Materials Management Office may:

(a) Instruct the Western Electric Company to discontinue, for a period, shipments of tools to the field until after the inventory count;

(b) Instruct the field not to make returns of tools to the Western Electric Company during a period before the inventory count;

(c) Instruct the field to minimize retirements.

(d) In coordination with the Assistant Manager Invoice Operations, also instruct the Western Electric Company to complete their billing to the Southwestern

Company for tools shipped on or before the date of the inventory and complete all Returned Material Notices for tools received by the Western Electric Company up to and including the date of the inventory.

9.05 The Service Center Materials Management Office should review with the Assistant Manager-Invoice Operations unsettled tool claims against the Western Electric Company and close as many as possible. The Assistant Manager-Invoice Operations will prepare a summary of unsettled claims as of May 31, by divisions for use by the Comptrollers Department.

## 10. ANNUAL INVENTORY

10.01 Tool and Equipment CPR Records (Report FZ 17) will be used for reporting inventory quantities. This Report will be issued by the Comptrollers Department showing, a description of the tools, the quantities inventoried last year, the past eleven months activities and the ending balance as of April 30, by each Crew Number. (See Exhibit 1). Two copies of the report for each Crew will be furnished by the Comptrollers Department to the Materials Management Office by May 24. Both copies of this report will be forwarded to the supervisor of the Crew(s) covered by the report(s) prior to May 31.

10.02 The field inventory consists of a physical count of the tools on hand by the local supervisor of each crew. Report FZ 17 is completed, as per Exhibit 1, by showing:

- (a) The actual inventory.
- (b) Any difference between the "field count" and the "end balance",
- (c) And an explanation for the difference.

10.03 Should there be any difference between the "end balance" and the "field count", show in the "Remarks" column pertinent information covering the difference.

For example:

(a) For differences due to activity transactions not completed in time to be shown on the report by the Comptrollers Department and for tools received, returned or transferred during May; show the appropriate FA Form SN-65, FA Form SW-6381, FA Form S-6312 or FA Form SW-6265 A/F (See Exhibit 1).

(b) For tools which cannot be located, show "Lost".

(c) For tools found at the time of field count, show "Found" in the explanation column. In the description column show the name and code of the tool found.

NOTE: Tools reported as "Lost" or "Found", on the Inventory Report require a FA Form S-6312. Reports listing "Lost" or "Found" tools must be approved by a division level supervisor.

10.04 The inventorying employee should sign both copies of the inventory form after the field count has been posted and other essential entries have been made. The carbon copy of the report shall be kept as the Annual Crew Tool Record for the ensuing year and the original copy should be forwarded to the district level supervisor.

10.05 The district level supervisor should carefully check "Lost" and "Found" items for proper explanation. After the verification is made, the original copy of the report is forwarded to the Materials Management Office.

10.06 The Materials Management Office shall:

- (a) Review all Forms FZ 17 for explanation of differences;
- (b) Have the appropriate level supervisor approve the reports having inventory differences shown as "Lost" or "Found";
- (c) Forward the approved inventory forms to the Comptrollers Department by June 20th;
- (d) Coordinate with the Comptrollers Department on any problems relative to reconciliation of the reports.

11.03 After the inventory statements have been approved, one copy of each Division and State or Administrative Entity statements will be forwarded to the Assistant Vice President-Corporate Accounting. Additional copies of the Division or State statements may be prepared and distributed locally as required.

11. ADJUSTMENT OF INVENTORY DIFFERENCES

11.01 The final statement of inventory differences will be prepared by the Comptrollers ordinarily not later than ninety days following the inventory date. The division statements (Form SW-2501) will be signed by the Division Manager-Clerical Services and approved by the Materials Management Office and forwarded to the Division Manager-Comptrollers. (See Exhibit 4)

11.02 A summary statement for the State or Administrative Entity will be prepared and the original, with copies of the approved division statements will be forwarded for the approval of the General Manager-Comptrollers, General Manager-Residence Services, General Manager-Business Customer Services, General Manager-Network Distribution Services, General Manager-Switched Services and the Vice President.

EXHIBIT 1  
 REPORT FZ 17  
 TOOL & EQUIPMENT CPR RECORDS  
 (ANNUAL)

SOUTHWESTERN BELL TELEPHONE COMPANY		STATE - MISSOURI		AREA - ST. LOUIS		REPORT PERIOD - 4/1/80		RETENTION PERIOD		
DIVISION - LADUE		INVENTORY OF TOOLS AND EQUIPMENT				TODAYS DATE - 04/25/80		INTERIM		
PROGRAM F2013		PAGE 397								
SER NO	DIV	DIST	CREW	MON	YR	DESCRIPTION	MAT CODE	ACCT REF	QUANTITY	ACTIVITY/REMARKS AND NOTES
006687	D	1	071	07	9	CLEANER VAC - ALL OTHER	05046	60C	1	REG - BAL
006688	D	1	071	07	9	INDICATOR VOLUME - NOISE	05012	60C	1	REG - BAL
006689	D	1	071	07	9	METER MULTI - COMP	05912	60C	2	REG - BAL
006690	D	1	071	07	9	SET TEST - NO - 357	06104	60C	4	BEG - BAL FA Form SN-65 # 80000-8 Transferred 05-01-80
006691	D	1	071	07	9	SET TEST - 421194	06293	60C	1	REG - BAL
006692	D	1	071	07	9	SET TEST - NO J - 34717	06378	60C	3	REG - BAL
006693	D	1	071	07	9	SET TEST - NO J - 64730	06422	60C	1	REG - BAL
006694	D	1	071	07	9	SET TEST - NO J - 04720	06470	60C	8	REG - BAL FA Form SN-6265 # 60-6-14392
006695	D	1	071	07	9	SET TEST - NO J - 04724	06474	60C	2	REG - BAL Received 06-09-80
006696	D	1	071	07	9	SET TEST - NO J - 04730	06479	60C	1	REG - BAL
006697	D	1	071	07	9	SET TEST - INSULATION - 700	06609	60C	1	REG - BAL
006698	D	1	071	07	9	SET TEST - MEAS - TRANS - 3C	06609	60C	1	REG - BAL FA Form S-6312 #14 Retired 7-15-80
006699	D	1	071	07	9	SET TEST - MEAS - TRANS - 2	06704	60C	2	REG - BAL
006700	D	1	071	07	9	SET TEST - QUIK - CHECK	06745	60C	1	REG - BAL

  

FIELD INVENTORY APPROVALS	SIGNED: <i>[Signature]</i>	APPROVED: <i>[Signature]</i>	DIFFERENCE
	PHONE NO. 314-247-4522	INVENTORYING SUPV	APPROVED: <i>[Signature]</i>
		DIST LEVEL SUPV	DIVISION LEVEL SUPV

FORM NO 6413

EXHIBIT 2  
 REPORT FZ 16  
 MONTHLY TOOL & EQUIPMENT CPR RECORDS

SOUTHWESTERN BELL TELEPHONE COMPANY DIVISION - ST. LOUIS REPORT - FZ16 MONTHLY TOOL AND EQUIPMENT CPR RECORDS				AREA - ST. LOUIS		REPORT PERIOD - 2/1/80 TODAYS DATE - 03/26/80		RETENTION PERIOD INTERIM PAGE 160		REMARKS AND NOTES
DIV	DIST	CREM NO	MON YR	DESCRIPTION	MAT CODE	ACCT REF	QUANTITY	AMOUNT		
C	0	000	01	0		60C				
C	0	000	01	0	INDICATOR GAS OTHER ALL	05140				
					TRANSFER	S074SP08	X 2	\$174.20		FA Form SN-65 #80000-1 Received 2 Indicator Gas
					TOTAL ACTIVITY ON TOOL ITEM CODE		X 2	\$174.20		01-10-80
C	0	000	01	0	LADDER EXTENSION ALL	05106				
					RETIREMENT	S63120CT	1CR	\$195.00CR		
					TOTAL ACTIVITY ON TOOL ITEM CODE		1CR	\$195.00CR		
C	0	000	01	0	SET TEST NO 105 ALL	06156				
					RETIREMENT	5-05453	2CR	\$250.06CR		
					TOTAL ACTIVITY ON TOOL ITEM CODE		2CR	\$250.06CR		

FIELD INVENTORY APPROVALS  
 SIGNED: *H. M. [Signature]*  
 PHONE NO 247-1110  
 APPROVED: *D. J. [Signature]*  
 INVENTORING S.A. DIST LEVEL SUPV  
 DIFFERENCE APPROVED: *[Signature]*  
 DIVISION LEVEL SUPV

EXHIBIT 3  
REPORT FZ 16  
MONTHLY TOOL & EQUIPMENT RECORDS

SOUTHWESTERN BELL TELEPHONE COMPANY  
DIVISION- LADUE STAFF- MISSOURI AREA- ST. LOUIS  
REPORT FZ16 MONTHLY TOOL AND EQUIPMENT CPR RECORDS

REPORT PERIOD- 8/1/80  
TODAYS DATE- 08/25/80

RECYCLION PERIOD  
INTERIM

PROGRAM FZ011  
PAGE 225

DIV DIST CREW MON YR DESCRIPTION MAT ACCT QUANTITY AMOUNT REMARKS AND NOTES  
NO CODE REF

0 9 509 03 0 400

NO ACTIVITY THIS MONTH

FIELD INVENTORY APPROVALS SIGNED: PHONE NO. APPROVED: INVENTORYING SUPV DIST LEVEL SUPV DIFFERENCE APPROVED: DIVISION LEVEL SUPV

FORM NO 6413

EXHIBIT 4  
FORM SW-2501  
STATEMENT OF INVENTORY DIFFERENCE



**Southwestern Bell**  
DAP (FA), PART F 24.2.35

FORM SW2501  
(3-79)

**STATEMENT OF INVENTORY DIFFERENCE**

Account (Code) \_\_\_\_\_

Area \_\_\_\_\_

Division \_\_\_\_\_

Account Title \_\_\_\_\_

Date of Inventory \_\_\_\_\_

		Item	Amount	
		1. Balance in account as of inventory date.		
		2. Debit adjustments taken into account after date of inventory.		
Delayed Entries	A. Items received and inventoried, billing not received.			
	B. Items recovered or found prior to inventory.			
	C. Items transferred from other accounts, divisions, or areas prior to inventory.			
Correcting Entries	D. Erroneous recording (accounts, quantities or items), pricing, etc. on accounting records.			
	E. Erroneous reporting (accounts, quantities or items) on reports by plant & engr. forces.			
		F. Other debits (explain).		
		G. Total debits (A to F inclusive).		
		3. Credit adjustments taken into account after date of inventory.		
Delayed Entries	A. Items returned to supplier, credit not received.			
	B. Items used, sold or retired prior to inventory.			
	C. Items transferred to other accounts, divisions, or areas prior to inventory.			
	D. Items in transit between locations on date of inventory.			
	E. Unadjusted claims (net), items not inventoried.			
Correcting Entries	F. Erroneous recording (accounts, quantities or items), pricing, etc. on acctg. records.			
	G. Erroneous reporting (accounts, quantities or items) on reports by plant & engr. forces.			
		H. Other credits (explain).		
		I. Total credits (A to H inclusive).		
		4. Adjusted balance in account (1 - 2G - 3I).		
		5. Inventory value (Note 1).		
		6. Inventory difference (Note 2).		
Division Statement		Date Issued (Note 3) _____	Correct (Title) _____	(Date) _____
		Approved (Title) _____ (Date) _____	Approved (Title) _____	(Date) _____
Area Summary Statement		Approved (Title) _____ (Date) _____	Approved (Title) _____	(Date) _____
		Approved (Title) _____ (Date) _____	Approved (Title) _____	(Date) _____
		Approved (Title) _____ (Date) _____	Approved (Title) _____	(Date) _____
		Approved (Title) _____ (Date) _____	Approved (Title) _____	(Date) _____

This form shall be used for Accounts 261-01 to 03, 264-02 to 06 and all sub-accounts of 122 except 122-01 and 122-08.

NOTE 1: For tools and other work equipment only, Item 4 plus or minus Item 6.

NOTE 2: Line 4 minus line 5 except for tools and other work equipment. Item 6 for the tool accounts represents the net extended value of the quantity differences existing between the inventory and continuing property records, adjusted by the quantities involved in the uncompleted transactions evaluated under Items 2 and 3.

NOTE 3: To be received by Division Staff Supervisor-Corporate Books not later than the 10th of the month following the month in which the inventory difference is journalized, but no later than 100 days following the inventory date.