

I N T E R N A L C O N T R O L									
PROGRAMMING FOOD RESOURCES	ASSESSMENTS: COST AND LOGISTICS	CALL FORWARD AND PROCUREMENT	PORT	STORAGE AND HANDLING		LOSSES AND CLAIMS	INVENTORY ACCOUNTING AND REPORTING	FOOD DISTRIBUTION TO SITES	MONITORING PROJECT SITES
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Food Receipt and Dispatch

Chapter 8

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I. THE WAYBILL

A. Purpose

The Waybill is the primary document for the receipt and dispatch of food into and out of all warehouses.

Internal Control

The waybill is analogous to a combined bank check used to withdraw money from a bank and deposit slip to put money in. Waybills must be completely filled out and signed by warehouse managers or storekeepers dispatching food, transporters and receivers of food. Keep blank waybills in a secure place with access limited to the person authorized to prepare the waybill. The country office must determine which office (finance or administration) should order the pre-printed waybills, which often come in blocks of 50 or 100. In coordination with the Logistics Office, a block of waybills will be distributed to the CARE or counterpart port officer or clearing and forwarding agent, and managers of primary and secondary warehouses. Procedures must be developed to keep regional and sub-regional warehouses supplied with waybill forms and to keep track of which waybill numbers have been sent to which warehouses. For example, if there are projects in three different regions, the pre-numbering on the waybill could also include a code for each region and sub-region.

Whether CARE or its counterpart arranges for the transport of food from warehouses, warehouse managers or storekeepers should use a CARE waybill to document the dispatch and subsequent receipt of food. If a counterpart insists on using its own waybills, negotiate an agreement that the counterpart's waybills will contain all the information required in the CARE waybill. If they do not, manually write the information on the waybill prior to signing it. Try, however, to minimize the use of non-CARE waybills.

B. Information on the Waybill

1. General

CARE's pre-printed, pre-numbered waybills capture information on the donor source, shipment numbers, origin and destination of the dispatch, the transporter, standard weight of unit of food, the type and amounts of food being sent, packages of food received damaged, and the routing of waybills for recordkeeping purposes. A country office may include additional information on the waybill that pertains to the specific country situation.

2. Project Number

Tracking information on the actual amount of food being distributed to projects is important to management. At any given time, managers should be able to determine how much food has actually reached project sites. The CARE waybill also includes a reference for Project Numbers (PNs). This section should only be filled out when food is actually dispatched to a distribution site. The PN on the waybills provides the source documentation for preparing management reports on these distributions. See **Inventory Accounting and Reporting**.

The following are some examples of when to fill in the PN section of the waybill.

Examples

1. Food is dispatched from a primary warehouse to a secondary regional warehouse. In this case, the PN section would not be filled in because inventory has just been moved from one warehouse to another.
2. Food is dispatched from a primary or secondary warehouse by a transporter arranged for by CARE or a counterpart to a distribution site. Here, the warehouse manager or storekeeper of the dispatching warehouse should fill in the PN number as the food has been moved out of CARE's warehouse inventory to the actual project site for distribution.
3. Food is picked up at a primary or secondary warehouse by authorized representatives of the project. They arrange for transport to their project site. The warehouse manager or storekeeper fills in the PN.

See the following distribution plans and allocation forms for more information.

Internal Control

Document the dispatch and receipt of food on a properly authorized waybill, whether from a primary or secondary warehouse, a storage facility of a counterpart, or an outside storage area. Without proper documentation, responsibility for losses cannot be assigned and CARE could be held liable for the value of lost or damaged food, even if not responsible.

C. Control of Pre-Printed Waybills

Country offices must control access to pre-printed, pre-numbered waybill forms the same way that they control access to blank checks for cash transactions.

D. Waybill Authorization

Delegate the authority to dispatch food to a warehouse manager or storekeeper or someone higher up in the organization. Before signing the waybill:

- Insure that the information on the waybill is complete.
- Insure that the type and quantity of food loaded on the truck matches both the information on the waybill and the information in the distribution plan for the project.
- Insure that the delivery location on the waybill matches the delivery location on the distribution plan or the disposition memo for unfit food.
- Obtain the signature of the person taking the food from the warehouse, usually the transporter.

Once these requirements have been met, sign the waybill and the food can be dispatched.

Internal Control

The transporter must also sign all dispatch waybills to document his agreement with the quantities described in the waybill.

II. RECEIPT OF FOOD

A. Ways that Food is Received

Food can be received in any one of six ways:

1. Discharged at Port

This occurs when the Bill of Lading names a port as the destination point. The independent discharge survey occurs at port and CARE, its agent or a local counterpart transports the food directly from the port or port warehouses to CARE or counterpart warehouses, using a CARE waybill.

Country Office Example

CARE Ethiopia receives food at the port of Djibouti and contracts with private transporters to move the food to CARE warehouses in Ethiopia. The forwarding agent in Djibouti completes a pre-printed, pre-numbered CARE waybill for each truck dispatched from port. The receiving warehouse storekeeper in Ethiopia fills out the Receipt Information section of the waybill to document the receipt.

2. Through Bill of Lading

A Through Bill of Lading stipulates a delivery location other than the port. The shipper is responsible for transporting the food from the port to the location named on the Through Bill of Lading. Generally, the delivery location is a CARE or counterpart warehouse. The independent discharge survey occurs at the warehouse and not at the port. Although CARE is not responsible for transportation, CARE should ask the shipping company to use a CARE waybill when the company arranges for transportation out of the port of arrival.

Country Office Example

Food is shipped to CARE Guatemala on a Through Bill of Lading with the primary warehouse in Guatemala City listed as the delivery location. The shipping company transports the food from the port to the primary warehouse. CARE Guatemala contracts a clearing and forwarding agent to keep the country office advised of the status of the food at port and to facilitate the dispatch of the food from the port. An agent is not mandatory at the port when food is shipped on a Through Bill of Lading, but CARE Guatemala has found that the benefits far exceed the costs. The agent has pre-printed, pre-numbered CARE waybills that he prepares for each dispatch from the port. The warehouse manager in Guatemala City records the receipt of each delivery from the port in the Receipt Information section of the waybill.

3. Received as a Loan or Transfer

With donor approval, food may be loaned or transferred from another NGO, the World Food Program or from another CARE project. CARE will repay loans from future stocks. A transfer is an allocation from one donor program to another and is not repaid.

If CARE arranges for transport, a CARE waybill is used to document the receipt. If CARE does not arrange for transport, the warehouse manager or storekeeper must insure that the receiving information included on the waybill matches that on CARE's waybill. If not, the warehouse manager or storekeeper should write the information in the Receipt section of the non-CARE waybill and initial changes/additions along with the transporter.

Country Office Example

USAID approves the loan to CARE of 1,000 MT of wheat from another NGO in Ethiopia. CARE arranges for the transport from the NGO's warehouse to the CARE warehouse, using CARE waybills. The receiving warehouse storekeeper uses the Receipt Information section of the waybill to document the receipt of the loan. The same process occurs for a transfer.

In another case, a loan is approved, but the other NGO transports the food from its warehouse to a CARE or counterpart warehouse using its waybills. If the Receipt section of the NGOs waybill is different than the CARE waybill, the CARE or counterpart warehouse manager or storekeeper should make certain that he/she includes on the NGO waybill all the information required for the Receipt Information section of the CARE waybill. Once this is done the warehouse manager or storekeeper and the transporter would sign the waybill.

4. Received as a Repayment of a Loan

Another organization or CARE project repays a loan. If the food is transported on a non-CARE waybill, the storekeeper should include all the information requested on the standard CARE waybill, initial changes and additions, and sign along with the transporter.

Country Office Example

Another NGO in Ethiopia repays 500 MT of wheat that CARE had previously loaned to them. The NGO transports the food from their warehouse to a CARE warehouse, using their own waybill. The receiving warehouse storekeeper notes that the waybill does not contain all the information included on the Receipt Information section of CARE's waybill. She writes the additional information on the waybill, then she and the transporter sign it.

5. Transferred to Another Warehouse

Food is often transferred from one CARE or counterpart warehouse to another warehouse, port warehouses to primary or secondary warehouses, or from primary or secondary warehouses to food distribution sites.

Country Office Example

CARE Haiti receives food at its primary warehouse in Gonaives. Some of this food is then transferred to a secondary warehouse in Bombardapolis. CARE waybills are used to dispatch the food. The Bombardapolis storekeeper uses the Receipt Information section of the waybill to document receipt.

6. Returned to the Warehouse

A truck may not be able to make a delivery due to poor road conditions, or the receiver may not accept some or all of the food due to its condition or for lack of storage space. Food may be returned on the same truck that brought it, or it may be returned at a later date on a different truck. When

food is returned, the warehouse manager or storekeeper notes the quantity and condition of the food on the Receipt Information section of the waybills.

Country offices should pay special attention when food is not returned by the transporter who originally delivered it, especially when food is being returned from distribution sites. Unscrupulous transporters and warehouse managers and storekeepers may attempt to divert some of the food being returned.

First, if food does not reach its destination, all the food is returned. In this case, the warehouse manager and storekeeper of the dispatching warehouse would fill in the Receipt Information section of the waybill and sign along with the driver when the food is returned.

Country Office Example

CARE Haiti dispatches a truck with 100 bags of wheat and twenty containers of vegetable oil to be delivered to ten feeding centers, 10 bags of wheat and 2 containers of oil for each center. The truck carries ten waybills--one waybill for each delivery location. Due to heavy rains, the truck is not able to make deliveries to five feeding centers and returns to the warehouse with fifty bags of wheat and ten containers of vegetable oil. The warehouse storekeeper acknowledges receipt and documents the return of the food on the Receipt Information and the Remarks sections of the waybill for the five centers that did not receive food.

Second, sometimes the food reaches its destination, but all or part of the dispatch is returned immediately to the dispatching warehouse. The food may be damaged or there may not be sufficient storage space in the receiving warehouse.

If food is returned by the original transporter, the person receiving and returning the food should:

- Fill in the Receipt Information section of the waybill from the dispatching warehouse. Write in the Remarks section of the waybill the number of bags or containers being returned, their condition, and reasons for the return. A copy of this waybill is not returned to the original dispatching warehouse. See [Routing the Waybill](#) below.
- Prepare a new waybill¹ to document the dispatch of the food from the distribution site back to the dispatching warehouse. The new waybill should reference the original waybill number. The new waybill accompanies the transporter back to the original dispatching warehouse.
- Keep both waybills on file for CARE food monitors or other persons to review.

¹ If distribution sites do not have blank waybills, they should write a letter containing all information requested on the waybill. It should be signed by the authorized person at the distribution site and the transporter.

When food is returned to the original dispatching warehouse, the warehouse manager or storekeeper should:

- Sign the receipt section of the receiver's waybill or letter along with the transporter.
- Attach the receiver's new waybill or letter to the original waybill. The receiver's waybill or letter becomes the support document for the return.

Third, in some cases, food is not returned to the original dispatching warehouse until days or weeks after its delivery. Follow the same procedures as above. The original dispatching waybill will already have been returned by the transporter. The transporter must submit this waybill for payment. The receiver's new waybill should be attached to the copy of the original dispatching waybill on file with the commodity accountant in the country or regional office.

B. Procedures for Receiving Food

1. Unloading

Food is unloaded from trucks or rail cars to loading docks or floors of warehouses and then placed in stacks. In some warehouses a truck may enter the warehouse and the food can be placed directly in stacks. Minimizing the number of times food is handled reduces handling charges as well as damages that occur when bags or containers are repeatedly moved and dropped.

Temporary day laborers usually unload food from the truck to a warehouse. The warehouse storekeeper or a designate must be present to count the number of bags and containers coming off the truck and observe their condition. The transporter should also be present. The receiver and the transporter should reach agreement on the quantity and quality of the food unloaded. If they cannot agree, the transporter is required to note any differences in the Remarks section of the waybill.

All damaged packages must be segregated, repackaged and inspected to determine if the food is fit for human consumption.

The warehouse manager or storekeeper or his/her designate must insure that food is stacked properly. See **Storage and Handling**.

Country Office Example

At CARE Guatemala's primary warehouse in Guatemala City, the truck enters the warehouse and stops next to the area where the food will be stacked. A wooden plank is extended from the truck bed to the floor; day laborers take a container or bag, walk down the plank, and place it on the pallets. As the stack grows in height, the plank is moved onto the stack. The food is stacked like a staircase with the back of the stack higher and the remainder of the stack in different levels, descending from the highest level at the back of the stack to the lowest level at the front. The day laborer then walks up the stairs and places the bag or container on the stack, so each bag or container is only handled only once. The workers and assistant storekeeper look for damaged food as it is unloaded and segregate it immediately.

2. Counting

Count bags or containers of food by type, either with a hand-held “clicker counter” or tally sheets, to keep a running total as food is unloaded.

Internal Control

CARE or counterpart warehouse managers or storekeepers must reconcile the physical count with the information on the waybill and with the count taken by the transporter, prior to signing the waybill. Once the waybill is signed by all parties, it will then be difficult or not even possible for CARE or its counterparts to later claim that a transporter is liable for any damages not acknowledged at the time the waybill was signed.

3. Damaged Packages

Damaged packages are evidenced by:

- Short-weight bags or containers
- Leaking, broken or torn bags or containers
- Wet, stained or moldy bags or containers
- Rusted or bulging containers
- Feces from rodents in bags or containers
- Insect-infested bags or containers.

Segregate damaged food and either:

- Repackage
- Fumigate infested food
- Dispose of food declared to be unfit for human consumption.

See *Losses and Claims* on repackaging and disposing of unfit food.

C. Documenting the Receipt of Food

1. Complete the Receiving Waybill

For information on how to record waybill information on stack cards and Warehouse Inventory Ledgers see ***Inventory Accounting and Reporting***. Below are examples of some port transactions followed by sample filled out waybills.

Example 1 -- Waybill # 850

- 29 October -- 1,000 bags are dispatched from port warehouse to warehouse #1 via Waybill # 850.
- 29 October -- The truck carrying Waybill #850 from the port warehouse arrives at warehouse #1. A total of 975 bags of food are unloaded, of which five bags are torn and leaking, and two are stained and appear to be unfit for human consumption.

Example 2 -- Waybill #853

- 31 October -- 1,000 bags are dispatched to warehouse #1 via Waybill #853.
- 31 October -- The truck carrying Waybill #853 arrives at warehouse #1 and unloads 1,010 bags, of which five are torn and leaking, three are moldy, and ten are underweight by five kilos each.

Example 3 -- Waybill #854

- 1 November -- 1,000 bags are dispatched from the port warehouse to warehouse #1 via Waybill #854.
- 1 November -- The truck carrying Waybill #854 from the port warehouse arrives at Warehouse #1 and unloads 990 bags.

CARE WAYBILL

853

Dispatching Warehouse #: PORT WAREHOUSE Dispatch Date: 31/10
 Receiving Location: WAREHOUSE#1 Transporter: _____
 Project Number: _____ Truck #/ Trailer #: _____

Dispatch Information:

Commodity	Shipment #	Unit: bag/ carton/ drum	Unit weight kgs.	Good Units		Repackaged Units		Total Units		Total Weight MTs
				Units	Kgs	Units	Kgs	Units	Kgs	
WHEAT	3054	BAG	50	1000				1000		50
										0
										0
TOTAL			50	1000	0	0	0	1000	0	50

Remarks: _____

 STOREKEEPER NAME Signature 31/10
 Date

 DRIVER NAME Signature 31/10
 Date

Receipt Information:

Commodity	Ship. #	Unit: bag/ carton/ drum	Unit weight kgs.	Units rec'd good		Units short		Units rec'd						Total Receipts	
				Units	Kgs	Units	Kgs	Slack/ torn		Wet/stained		Other		Units	Kgs
								Units	Kgs	Units	Kgs	Units	Kgs		
WHEAT	3054	BAG	50	992				5		3		10		1010	0
														0	0
														0	0
TOTAL			50	992	0	0	0	5	0	3	0	10	0	1010	0

Remarks: 1010 BAGS INSTEAD OF 1000 BAGS RECEIVED. DAMAGED AND SHORT WEIGHT BAGS TO BE REPACKAGED. ANY LOSSES AFTER REPACKAGING TO BE CHARGED TO TRANSPORTER

WAREHOUSE MANAGER WRHS #1 signed 31/10
 RECEIVER NAME Signature Date

 DRIVER NAME signed 31/10
 Signature Date

Original
Commodity Accountant
Finance Section

Copy 1
Commodity Accountant
Finance Section

Copy 2
Transporter

Copy 3
Receiver
Location

Copy 4
Dispatch
Location

2. Authorization of Receipts

The Country Director of a CARE office or its counterpart must delegate the authority for acknowledging receipt of food to a warehouse manager or storekeeper. Country offices must keep up-dated records (with sample signatures) of all CARE and counterpart staff who have authority to receive food. See *Agreements and Contracts*.

Internal Control

Everyone who is authorized to sign for the receipt of food must be informed that they may be held responsible for all the food for which they sign, regardless of the actual quantity and quality. They must therefore inspect food and document any damages to packages or missing food prior to signing the waybill.

a. Acknowledging Receipt

Internal Control

Warehouse managers or storekeepers must fully complete the Receipt Information section of the waybill regardless of whether food is received from a primary or secondary warehouse, a storage facility of a counterpart, or an outside storage area. If a CARE waybill does not accompany the food, write the information on the waybill that does accompany the food. Failure to write complete information exposes the warehouse manager or storekeeper, and ultimately CARE, to liability for the value of all losses.

Country Office Example

CARE Haiti uses computer-generated waybills for food dispatched to community feeding centers. As part of the agreement, each center must designate two people who are authorized to receive food on behalf of the feeding center. Their names are printed in the “acknowledgment of receipt” section of the waybill. At least one must be present to sign or food will not be unloaded at the center.

b. Acknowledging Delivery

When the transporter delivers, unloads and counts food, he must also sign the waybill. The transporter’s signature acknowledges delivery of the same quantity and condition of food as the person responsible for receipt. If the transporter does not agree with the receiver’s information, he should not sign the waybill but rather should write an explanation in the Remarks section of the waybill.

If the transporter does not sign the waybill and does not write anything in the Remarks section of the waybill, he can be held responsible for any losses from this delivery.

3. Documentation of Damages to Unfit Food

See **Losses and Claims** for complete information on damaged packages and unfit food. To the extent possible, rebag food which arrives in damaged packages and/or segregate food which is suspected of being unfit at the time it is received. Include the information on the Remarks section of the waybill. If however a large quantity of bags or containers arrives damaged and the transporter cannot wait for the food to be placed in new packages, the warehouse manager, storekeeper or other person must fill out, by categories, the number of units damaged in the Quantity Received Damaged section of the Receipt Information section of the waybill.

It is important that the Remarks section also be filled out, saying repackaging and analysis of suspected unfit food will take place at a later date. The transporter will be notified of losses, and the value of those losses will be subtracted from the transporter's invoice.

When the food is repackaged or declared unfit at a later date, complete a Loss and Adjustment Report, detailing the amount that was lost during repackaging and declared unfit. The Loss and Adjustment Report is used to make adjustments to balances recorded in the warehouse inventory ledgers and to support the extent of losses that are the responsibility of the transporter. Be certain to reference the waybill number on the Loss and Adjustment Report. This will be the basis for the claim against the transporter.

4. Excess Receipts

In some cases more food may be delivered than is listed on the waybill. When this occurs, add the excess amount onto the receiving waybill. In the example of transactions shown above, an excess of ten bags of wheat were delivered to the warehouse via Waybill # 853. However there was a shortage of ten bags on the next delivery made via Waybill # 854. It would appear that ten bags from Waybill #854 may have been erroneously put onto the truck carrying Waybill # 853.

The warehouse manager or storekeeper should wait until all food has been delivered from a shipment to determine if the excess on one waybill cancels the shortage on another waybill.

Helpful Hint

One way to reduce the risk that excess receipts will not be reported by a warehouse storekeeper is to require the transporter to deliver waybills directly to the warehouse manager before food is unloaded. The warehouse storekeeper is thereby not aware of the amount listed on the waybill. The storekeeper documents the quantity and quality of food received and passes this information to the warehouse manager. The warehouse manager then completes the Receipt Information section on the waybill. This procedure requires the storekeeper to count the food and not to rely on the waybill. It also reduces the possibility that a storekeeper would not report an excess receipt.

5. Documenting Receipt of Food Shipped on a Through Bill of Lading

On a Through Bill of Lading, the independent discharge survey and customs clearance are conducted at a designated warehouse outside the port authority. See ***Port*** for more information about the additional documentation requirements for customs clearance and the independent discharge survey. See ***Inventory Accounting and Reporting*** for information on how receipts would be entered on stack cards and warehouse inventory ledgers.

6. Routing the Waybill

A CARE waybill has an original and four copies. The warehouse manager or storekeeper at the dispatching warehouse completes the waybill and signs it along with the transporter.

- The original waybill is sent by the dispatching warehouse to the commodity accountant in the finance section of the CARE country, state or regional office (Reference Almis #4496 ***Inventory Food Commodities - Commodity Accounting Manual***) to record the dispatch in CARE's financial ledgers.
- Copies one, two and three of the waybill are then taken by the transporter to the receiving location.
- Once the Receipt Information and Remarks sections of the waybill are filled out and signed by the receiver and transporter, copy one of the waybill is returned to the commodity accountant in the CARE country, state or regional office, copy two is for the transporter and used for requesting payment, and copy three remains at the receiving location.
- The fourth copy never leaves the dispatching warehouse. It is used to support entries recorded by warehouse managers or storekeepers in the dispatching warehouse's inventory ledgers.

Summary of Waybill Routing

Waybill part	Routed to	Routed when
Original	Commodity accountant in the Finance section in country, state, regional or area office	When authorized for dispatch and signed by transporter who confirms the receipt of food dispatched from the warehouse.
Copy 1	Commodity accountant in the Finance section in country, state, regional or area office	After receiver and transporter sign waybill acknowledging receipt and delivery of the food at the receiving location.
Copy 2	Transporter	After receiver and transporter sign waybill acknowledging receipt and delivery of the food at the receiving location.
Copy 3	Receiving warehouse	After receiver and transporter sign waybill acknowledging receipt and delivery of the food at the receiving location.
Copy 4	Dispatching warehouse	When authorized for dispatch and signed by transporter who confirms the receipt of food dispatched from the warehouse. This copy remains with the dispatching warehouse. It is not taken by the transporter.

CARE-Ethiopia Example

Helpful Hint -- CARE Ethiopia uses multi-colored waybills--each copy is a different color. This makes it easier to identify the source and insure that each copy of the waybill is routed to the appropriate person.

III. DISPATCH OF FOOD

A. Distribution Plans for Projects

The decision to dispatch food between warehouses or from warehouses to distribution sites must be based on a distribution plan for each project (by PN) prepared by the CARE or counterpart project manager or other authorized person. The plan, unless otherwise approved by the donor, is based on the ration size for beneficiaries set out in the program proposal approved by the donor.

1. Pipeline Analysis

Project and logistics managers can use an analysis similar to the Pipeline Analyses described in ***Call Forward and Procurement*** to determine what stocks are on hand, what arrivals and distributions are anticipated for a designated period, and what will need to be ordered to keep the warehouse

or distribution site stores adequately stocked to meet project food resource needs.

Project managers may want to send additional food in anticipation of the rainy season when transporters may not be able to reach project sites.

Depending on the nature and scope of the project, pipeline analyses may be prepared daily, weekly or quarterly. Ideally, project and logistics managers will know actual stock balances in warehouses or distribution sites. However, with frequent distance and communication problems between warehouses and distribution sites, managers will likely have to estimate stock levels to carry out their analysis and make distribution plans.

2. Distribution Plan

a. For Projects

Once the pipeline analysis is completed, the project and logistics managers develop a specific distribution plan for each project (by PN) which authorizes warehouse managers or storekeepers to dispatch food to designated warehouses or distribution sites. Plans will have to take into account storage capacity of receiving warehouses.

Internal Control

The distribution plan provides the warehouse manager or storekeeper with the information about when, where and how much food should be dispatched for a project and the authorization to dispatch it. In order to assure that responsibilities among personnel are segregated and that adequate controls over food inventory are in place, warehouse managers or storekeepers cannot determine where food should be sent and arrange for its dispatch on their own.

CARE/Guatemala Example

CARE Guatemala's food programming section prepares all waybills based on a distribution plan. The program director signs the waybills and passes them to the warehouse manager for dispatch. The warehouse manager reviews the waybill for completeness, verifies the approval signature of the program director and obtains the signature of the truck driver after the food has been loaded on the truck. Food cannot leave the warehouse until the warehouse manager and the driver sign the waybill.

The distribution plan:

- Names the receiving warehouse, organization or institution
- Provides the number of units/kgs to dispatch to each project
- Provides a time period for dispatch
- Identifies the transporter or person who will pick up the food on behalf of the organization or distribution site receiving it

- Includes columns and rows to show dates of dispatches from warehouses and remaining balances
- Includes the name and signature of the person(s) authorized to approve the plan.

Depending on the program, the warehouse manager may also prepare an individual allocation form for each warehouse or site, in addition to a distribution plan. For example, a distribution plan shows 250 bags of corn going to Warehouse B for Project FFW. However, because of limited transport, the bags will have to be moved in three different trips. The warehouse manager or storekeeper prepares waybills for each dispatch and fills out an allocation form as follows:

Date	Project Name/PN	Total Allocation	Waybill #	# Dispatched	Allocation Balance
10/1	PN 22 - FFW	250	150	75	175
10/5	“ “	-	154	100	75
10/9	“ “	-	160	75	0

Dispatches shown and remaining balances on distribution plans and allocation forms can be reconciled with the warehouse inventory ledgers and serve as a cross-check for the authorized movement of food.

Space on distribution plans or use of allocation forms to show remaining balances to be moved to other warehouse or distribution sites should greatly help warehouse managers or storekeepers keep track of where and how much food is to be moved for each project (PN).

b. For Loans or the Disposal of Unfit Food

Authorized managers in country offices make decisions about making or repaying loans and disposing of unfit food, not warehouse managers or storekeepers. Country offices will need to develop procedures to keep warehouse managers and storekeepers advised of when loans or transfers of food will be received, loans will be paid back and when and how to dispose of unfit food.

B. Types of Warehouse Dispatches

There are five ways that food leaves the warehouse:

1. For Distribution to Program Participants

This includes food dispatched to counterpart stores at distribution sites as well as food dispatched directly by CARE to program participants.

Country Office Example

CARE Peru dispatches food from its warehouses in Lima to various community centers in the Lima area where it is cooked and distributed to participants. An authorized CARE waybill is used to document the dispatch of food from the warehouse.

2. As a Loan or Transfer

With donor approval, food may be loaned or transferred by CARE or its counterpart to another organization such as an NGO, the World Food Program or another CARE or counterpart project. A loan is repaid from future stock, while a transfer is an allocation from one donor program to another and is not repaid. If CARE or the counterpart arranges for the transport, a CARE waybill is used. If CARE or the counterpart does not arrange for the transport, insure that the dispatch information included on the waybill complies with all the dispatch information required on CARE's waybill, and initial changes/additions.

Country Office Example

USAID authorizes CARE Ethiopia to loan 1,000 MT of wheat to another NGO operating in Ethiopia. The NGO arranges for the transport of the wheat from the CARE warehouse to the NGO warehouse. The CARE warehouse storekeeper completes the Dispatch Information Section of the waybill, and signs and dates the waybill. The transporter also signs.

3. For Repayment of a Loan

Borrowed food is repaid according to the loan agreement approved by the donor.

Country Office Example

CARE Ethiopia's Project #1 repays Project #7 with 500 MT of wheat. This wheat was borrowed from a shipment of Project #7 wheat. The storekeeper completes the top part of the waybill, Dispatch Information Section, and with the transporter signs and dates the waybill, to document the dispatch of 500 MT of wheat to Project #7.

4. For Transfer to Another Warehouse

Food is transferred from the port to primary or secondary warehouses; primary to secondary warehouses; or from a primary or secondary warehouse to food distribution sites.

5. After Being Declared Unfit for Human Consumption

Food declared to be unfit for human consumption is dispatched from the warehouse for sale, donation or destruction. See *Losses and Claims*.

Country Office Example

Due to inadequate door seals on the containers used to ship wheat to Guatemala, some bags of wheat were contaminated with sea water. After the wheat was declared unfit for human consumption, CARE Guatemala sold it to a buyer to be used for fertilizer. The bags of unfit food were dispatched from the warehouse using CARE waybills.

Internal Control

Warehouse managers or storekeepers are never authorized to dispatch unfit food until they have prepared a Loss and Adjustment Report. Only after the Loss and Adjustment Report has been approved can warehouse managers or storekeepers dispatch the unfit food and record the removal in warehouse inventory ledgers. See *Losses and Claims* and *Inventory Accounting and Reporting*.

C. Procedures for Dispatching Food

1. Dispatch of Food

Before dispatching food from a warehouse, make certain that stacks are accessible for loading. FIFO (First In First Out) is the best method of dispatching food from a warehouse. Food that was received first is dispatched first, except in the case of reconstituted and damaged food where storekeepers must use their judgment and consider other factors such as spoilage, infestation and shelf life. For example, a storekeeper may decide to dispatch food which has been infested and fumigated before other food that arrived earlier but has not been infested.

Other planning considerations include:

- Quantity of food in the warehouse
- Number of temporary workers required for loading
- Number of trucks required for transport.

See *Food Distribution to Sites* for information on how much food to dispatch food from a warehouse.

2. Loading

Depending on the warehouse, either load food directly from the stack to the truck, or place it in piles on the warehouse floor and then load it onto trucks. Minimizing the number of times food is handled reduces handling charges as

well as damages that can occur when bags or containers are moved or dropped.

Country Office Examples

CARE Haiti dispatches bulgur wheat, fish, oil, and CSB to a feeding center. Normally, a truck delivers to more than one feeding center in a single trip. The food for each feeding center is placed in a separate pile on the warehouse floor. Each center has its own numerical institution code which is written by warehouse staff on the appropriate bag or container of food. The storekeeper must fill out separate waybills for each distribution site. The assistant warehouse storekeeper counts the food by type as it is loaded on to the truck. Food which will be delivered last is loaded first. S/he reconciles the count with the information contained in the waybills with the count of the transporter. If no differences exist, the warehouse storekeeper signs the waybills.

CARE Guatemala dispatches wheat, oil and CSB to regional centers from their primary warehouse in Guatemala City. Normally a truck delivers to only one regional center at a time. Only one waybill is prepared. The truck enters the warehouse and the food is loaded directly from the stacks to the truck. The assistant storekeeper counts the food by type as it is loaded onto the truck and reconciles this information with that listed on the one waybill and the count of the transporter. If no differences exist, the warehouse manager signs the waybill.

3. Counting Food

The warehouse manager, storekeeper or another designated person must count units of food by type as they are loaded onto the truck. Either a “clicker counter” or tally sheets can be used to keep a running total. The physical count must be reconciled with the information on the waybill and with the transporter’s count. Resolve any difference in the count prior to signing the waybill.

4. Damaged Food

Warehouse managers and storekeepers must inspect all food as it is loaded onto the truck, and segregate any food for eventual repackaging, fumigation or disposal. Never knowingly dispatch damaged food.

D. Documenting the Dispatch of Food

1. Completing the Dispatch Waybill

Internal Control

Waybills are the primary documents for recording dispatches (withdrawals) of food from warehouses. Waybills must be completely filled out and signed by the warehouse managers or storekeepers and countersigned by the persons receiving food at the time the food is dispatched.

Guidelines for use and control of pre-numbered and pre-printed waybills are discussed in the Receipt Section of this chapter.

Delegate the authority to dispatch food to a warehouse manager or storekeeper or someone higher up in the organization. Before signing the waybill:

- Insure that the information on the waybill is complete.
- Insure that the type and quantity of food loaded on the truck matches the information on the waybill and that in the distribution plan for the project (PN).
- Insure that the delivery location on the waybill matches the delivery location on the distribution plan or the disposition memo for unfit food.
- Obtain the signature of the person taking the food from the warehouse, usually the transporter.

Once these requirements have been met, sign the waybill and the food can be dispatched.

Internal Control

The transporter must sign all dispatch waybills to document his agreement with the quantities described in the waybill.

2. Routing of Waybills

Waybill routing information is found above in the receipt of food section.

3. Documenting Distributions of Food Directly Out of Warehouses to Beneficiaries

Food is sometimes distributed directly from the warehouse to beneficiaries in the early stages of an emergency or where a warehouse is located at the project site. This section covers those cases where food is distributed from enclosed warehouses. Open sites are considered food distribution sites, and waybills are not prepared. Guidelines set forth in ***Food Distribution to Sites*** apply.

a. Emergencies

When food is distributed directly to beneficiaries during an emergency, project managers or warehouse managers/storekeepers may maintain a list or tally of how many persons received food, how much was given to each person and the total amount distributed. At the end of the distribution, the list would be signed by the project manager and storekeeper and dated.

Keeping count in this way is analogous to keeping track of the amount of food loaded onto trucks at the time of a dispatch.

Once the list is totaled, the warehouse manager and storekeeper could prepare the Dispatch Information section of the waybill and the project manager could fill in the Receipt Information section. The list should then be attached to the waybill as the supporting document.

A community leader may also be identified to sign the distribution list and waybill along with the project manager.

The waybill should be routed like any other waybill with the original going to the commodity accountant in the finance section of the country or regional office.

b. Distributions Other Than Emergencies

If a primary or secondary warehouse also serves as an actual food distribution site, the procedures and guidelines in *Food Distribution to Sites* apply. Distributions should be based on authorized beneficiary lists. At the end of a distribution, a warehouse manager or storekeeper prepares a waybill, and fills out the Dispatch Information. The community leader could sign the Receipt Information section.

For all distributions, warehouse managers must record the Project Number on the waybill. This is needed for preparation of Commodity Status Reports.

4. Documenting Distributions by Airlifts

Sometimes in emergencies, food must be airlifted into emergency sites. In these cases, a donor like WFP might arrange for the flights, or in some instances, CARE may arrange for airlifts.

a. Donor Arranges Airlift

Arrival at Airfield

When food is airlifted, CARE or counterpart staff should fill out and sign the Receipt Information section of an airway bill. The person who delivers the food should also sign the document. The donor is responsible for pursuing any claims against the air carrier for losses.

CARE will have flight schedules in advance and must arrange for transport of food from airfields to receiving warehouses. Copies of flight schedules, with amounts and type of food, should be kept on file with CARE Food and

Logistics staff and radioed, faxed or otherwise sent to warehouse managers at the receiving warehouse.

Commodity Financial Accountants in country or regional offices should use the flight schedules in verifying receipt of food at landing sites. This assures that food sent by air is accounted for in cases where there may be direct distributions to beneficiaries.

If food is distributed directly to beneficiaries at the airfield, follow the procedures set forth above on direct distributions to beneficiaries out of warehouses.

Dispatch from Airport

Project managers or other authorized persons at the receiving airfield should prepare waybills which document the dispatch of food from the airfield to the receiving warehouse. The CARE or counterpart manager at the airfield should count with the transporter the amount and condition of food that has arrived, fill in the Dispatch Information Section of the waybill and sign it with the transporter. The amount of food dispatched to the warehouse should equal the amount of food (in good condition and in damaged packages) which came off the plane. The airway bill should be attached to the CARE waybill.

At the warehouse, warehouse managers or storekeepers and the transporter should verify the amount and condition of the food received from the plane, fill out the Receipt Information section of the CARE waybill and sign. All information and guidance in this manual related to routing of waybills, losses and claims, recording receipts in warehouse inventory ledgers, and preparing Commodity Status Reports apply to receiving food by air.

b. CARE Arranges Airlift

When CARE arranges airlifts, warehouse managers or storekeepers must account for the food moved from a dispatching warehouse to the sending airfield, the receiving airfield and the receiving warehouse. In effect, CARE is accounting for food moved from one warehouse to another using two different modes of transport.

Warehouse managers or storekeepers at the dispatching warehouse will complete the Dispatch Information section of the waybill and those at the receiving warehouse will fill in the Receipt Information section of the waybill.

The CARE waybill and the airway bill are used by the transporter moving food from the receiving airfield to the receiving warehouse. To identify losses attributable to the airline and the transporter, the airway bill must be attached to the CARE waybill.

Warehouse managers or storekeepers and commodity financial accountants will have to determine the amount of loss attributable to the airline and the transporter. The original and copies of the waybill should be routed as set forth above. See *Losses and Claims* and *Inventory Accounting and Reporting*.