



**HOUSE OF ASSEMBLY MANAGEMENT COMMISSION
DIRECTIVE**

Directive Number 2009 – 002

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Subject: Inventory Management Policy	Reference: HOAMC Meeting, March 18, 2009 Agenda Item 11
Issued To: All Members of the House of Assembly; Comptroller General; Directors of Government Accounting, Professional Services and Internal Audit, OMSP, and Corporate Services; Office of the Auditor General; Office Managers of Government Caucus, Official Opposition Caucus, NDP Caucus; Assistant Deputy Clerk, Executive Council; Director of Operations, Office of the Premier.	Contact: Marlene Lambe Chief Financial Officer 729 – 2923

BACKGROUND

- Subsection 25(2) of the *Members' Resources and Allowances Rules* states "All purchases within the standard office allocation remain the property of the government of the province and shall be identified by appropriate markings as House assets". Subsections 25(4) and 25(5) require the Clerk to maintain and update an inventory of all such assets but holds the Member to be responsible and accountable for all items listed in the Member's inventory report.
- Inventory software has been purchased and will be used to manage all House assets. Work is in progress to record all the relevant information into the system so that all House assets (inventory items) can be identified, located and tracked. The inventory system will increase the internal controls over assets and provide a mechanism for reporting on these assets.
- At its March 18 meeting, the Commission approved the attached policy which provides direction for the accounting and control of items held in inventory including proper acquisition, recognition and measurement, safeguarding, write-downs and disposal of assets. The policy also ensures compliance with Section 25 of the *Members' Resources and Allowances Rules*. **CM 2009-015** refers.

DIRECTIVE

Pursuant to subparagraph 20(6)(b)(ii) of the *House of Assembly Accountability, Integrity and Administration Act*, the Commission approved the Inventory Management Policy, dated March 2009, for the House of Assembly and the Statutory Offices.

William MacKenzie
Clerk of the House of Assembly



House of Assembly

Inventory Management Policy

March 2009

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1. Approval

Under the authority of subparagraph 20(6)(b)(ii) of the *House of Assembly Accountability, Integrity and Administration Act*, the House of Assembly Management Commission establishes this inventory management policy.

2. Purpose

To provide for the accounting and control of the inventory of moveable assets including proper acquisition, measurement, safeguarding, write-downs and disposal.

3. General

Subsection 25(2) of the Members' Resources and Allowances Rules states "All purchases within the standard office allocation remain the property of the government of the province and shall be identified by appropriate markings as House assets".

Subsection 25(4) states "the clerk shall maintain and update an inventory report of all House assets entrusted to each member."

Subsection 25(5) states "a member is personally responsible for all items in an inventory and shall account on an annual basis or on demand to the speaker for the items listed in his or her inventory report".

The objective of this policy is to ensure that internal controls are in place to safeguard and manage the inventory of moveable assets of the Legislature (including all asset items entrusted to Members) in an efficient and effective manner.

4.0 Process

This policy applies to all inventory items which meet the definition of inventory under Section 4.1 and are purchased for Members of the House of Assembly, their Constituency Assistants and for the House of Assembly Service, Caucus Offices and Statutory Offices.

4.1 Definition

For the purposes of this policy, inventory is defined as:

- a. All office furniture and equipment included in the standard office allocation (as defined in subsection 25(1) of the Members' Resources and Allowances Rules) and located in constituency offices outside the Confederation Building;
- b. Other office furniture and equipment items purchased for constituency offices outside the Confederation Building with a cost in excess of \$200 per item;
- c. All other office furniture and equipment with a cost in excess of \$200 per item;
- d. Blackberries and cell phones for Members and staff regardless of the cost per item; and
- e. Historic and cultural assets

4.2 Restrictions

- Office furniture and equipment includes but is not restricted to, computers, laptops, printers, fax machines, photocopiers, televisions, cameras, any specialized equipment, blackberries, cell phones, desks, filing cabinets, chairs, tables.
- Items excluded are office supplies, library materials, election readiness materials (forms, maps, booklets, ballot paper, etc.).

4.3 Acquisition

All inventory items will be acquired in accordance with the *Public Tender Act* and the Government Purchasing Agency Customer Manual except where amended by a Rule, Directive or Decision of the House of Assembly Management Commission.

4.4 Recognition and Measurement

Inventory will be recorded at historic cost. If the historic cost is not available, the item will be recorded at estimated historic cost.

4.5 Safeguarding

- All inventory items will be recorded in the Inventory System maintained by the Corporate and Members' Services Division of the House of Assembly Service.

- The Inventory System will record: description of the item; acquisition date and historic cost; purchase order number (if applicable); supplier; warranty; location; asset tag number; etc. for each item.
- All items except blackberries, cell phones, and historic and cultural assets will have an asset tag affixed to indicate the ownership of the government of the Province. Asset tags are assigned a number that matches a specific inventory item in the Inventory System.
- It is the responsibility of each Member of the House of Assembly, Director or Statutory Officer to ensure that inventory items assigned to his or her custody are maintained and safeguarded.
- At least once a year, a report which includes a listing of the assigned inventory items will be forwarded to each custodian. These reports must be verified for completeness and accuracy and any changes reported to Corporate and Members' Service Division.
- Physical counts of all inventory items will be conducted by Corporate and Members Services (or designates) on a periodic basis and at a minimum, once every four years.
- As a general rule, all items should remain at the physical location assigned to them. Should it be necessary to move an item, it is the responsibility of the custodian to inform Corporate and Members' Service Division to ensure that the Inventory System is updated to reflect the new location.
- It is the responsibility of the custodian to report any stolen, lost or damaged inventory items to Corporate and Members' Services Division.
- All inventory items purchased with government funds remain the property of the government of the Province.

4.6 Write-downs

Inventory items will be written down when a reduction in the value of their service potential can be measured and the reduction is expected to be permanent.

4.7 Disposals

Items which are no longer serviceable or are considered obsolete will be disposed of in accordance with the Government Purchasing Agency Customer

Manual pertaining to surplus assets and will be removed from the inventory system.