

Administrative Procedure 517

INVENTORY

Background

Inventories of supplies and materials and cash must be managed in a manner that will maximize the Division's revenues and minimize the Division's expenditures.

Procedures

1. Inventories of all supplies, materials, equipment, and capital equipment, held by the unit will be maintained at each organizational unit.
 - 1.1. Inventory records for supplies materials, equipment, and capital equipment will be maintained at the organizational unit in a manner acceptable to the Secretary-Treasurer.
 - 1.2. Inventories of supplies and materials will be managed on a First-In, First-Out (FIFO) system and are to be valued at the lower of purchase or market price.
 - 1.3. A capital equipment item is a non-consumable article which has a value of more than five thousand dollars (\$5000.00).
 - 1.4. Inventories of supplies and materials, equipment and capital equipment will be confirmed by physical count at least once per year on August 31.
2. Inventories of surplus supplies and materials, equipment, and capital equipment will be disposed of in a manner consistent with acceptable business practices and any policies or regulations of Alberta Education.
 - 2.1. Inventories of surplus and obsolete supplies, materials, equipment, and capital equipment will be reported to the Secretary-Treasurer who will arrange for the relocation or disposal of the products.
 - 2.2. Organizational units are to cull surplus and obsolete supplies, materials, equipment and capital equipment items from inventory for disposal as follows:
 - 2.2.1. For the disposal of fixed assets,
 - 2.2.1.1. The organizational unit will submit a list of assets to be disposed of to the Secretary Treasurer. The list will include:
 - 2.2.1.1.1. A full description of the items,
 - 2.2.1.1.2. The reason for disposal, and
 - 2.2.1.1.3. An estimate of the general condition or usefulness of the item.
 - 2.2.1.2. The Manager – Financial Services will circulate the list of assets to other organizational units to determine if a need for the item exists.
 - 2.2.1.3. Disposal of items not required will be arranged under the direction of the Secretary Treasurer.

3. Inventories of cash which are surplus to the Division's immediate needs are to be invested in money market vehicles or interest bearing deposits offering the best possible return coupled with absolute security.
 - 3.1 Inventories of cash will be consolidated in the school bank account on a weekly basis.
 - 3.2 Principals will remit Division funds to the Manager – Financial Services at the end of each week.
 - 3.3 The Secretary-Treasurer will be responsible for arranging short-term investments of surplus Division funds. Such arrangements may be by way of standing instructions filed with the Division banking institution to invest such surplus funds in:
 - 3.3.1 Interest Bearing Accounts;
 - 3.3.2 Term Deposit Certificates;
 - 3.3.3 Province of Alberta Treasury Bills; or
 - 3.3.4 Government of Canada Treasury Bills.

Reference: Section 33,52,53,68,192,194,197,222,225 Education Act

Approved: November 2005

Amended: March 21, 2018; July 1, 2018; May 6, 2020