



ADMINISTRATIVE PROCEDURE 515

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 and materials, equipment, and capital equipment, held by the unit shall be maintained at each organizational unit.
 - 1.1 Inventory records for supplies and materials, equipment, and capital equipment shall be maintained at the organizational unit in a manner acceptable to the Assistant Superintendent - Business Services.
 - 1.2 Inventories of supplies and materials shall 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).
 - 1.4 Inventories of supplies and materials, equipment and capital equipment shall be confirmed by physical count at least once per year.
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 and materials, equipment, and capital equipment shall be reported to the Assistant Superintendent - Business Services who shall arrange for the relocation or disposal of the products.
 - 2.2 Organizational units are to cull surplus and obsolete supplies and materials, equipment and capital equipment items from inventory for disposal as follows:
 - 2.2.1 For the disposal of fixed assets, the following shall apply:
 - 2.2.1.1 The organizational unit shall submit a list of assets to be disposed of to the Assistant Superintendent - Business Services. The list shall include a full description of the items, the reason for disposal, and an estimate of the general condition or usefulness of the item.

- 2.2.1.2 The Education Services Centre 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 shall be arranged by the Assistant Superintendent - Business Services.
- 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 shall be consolidated in the school bank account on a weekly basis.
 - 3.2 Schools shall remit Division funds to the Education Services Centre on the last Friday of each month of the school year.
 - 3.3 The Assistant Superintendent - Business Services or designate shall 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 60, 61, 113, 200, 201 School Act

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