The pharmacy manager must ensure that narcotic counts and reconciliations are completed for
the pharmacy, pharmacy satellites and all areas of a facility where narcotics are stored:

- at a minimum of every 3 months,
- after a change of pharmacy manager,
- after a break and enter or robbery,
- after an identified drug diversion,
- when a pharmacy closes and ceases to operate its business, and
- after any event where the security of the narcotic drugs may have been compromised.

REQUIRED PROCEDURES:

The narcotic counts and reconciliations must consist of the following four components, and must be verified and signed off by the pharmacy manager after each completion:

1. Perpetual Inventory

   a) Pharmacies must maintain a separate perpetual inventory for each narcotic drug.

   b) The perpetual inventory must include entries for:

   i. purchases,
   ii. transfers,
   iii. losses,
   iv. purchases returned, expired, or destroyed,
   v. quantities dispensed, and
   vi. a running balance.

   c) Any manual adjustments to the perpetual inventory must be documented, including:

   i. the reason for the adjustment,
   ii. the date adjusted, and
   iii. the identity of the person who made the adjustment.

   d) If a pharmacy does not have a computerized perpetual inventory, then a manual perpetual inventory must be maintained. (Note: A sample Perpetual Inventory Record can be found on the CPBC website).

2. Physical Inventory Counts

   a) A physical inventory count must be done at a minimum of every 3 months.

   b) All narcotics must be counted, including:

   i. active inventory,
   ii. compounded mixtures, and
   iii. expired inventory.

   c) When completing the narcotic count, the following information must be documented:

   i. the name, strength, quantity, and DIN/brand of the drug counted,
   ii. the date and signature of the person(s) who completed the count, and
   iii. the date and signature of the responsible pharmacist

*Perpetual Inventory:* A book record of every inventory kept continuously up to date by detailed entries for all incoming and outgoing items. (Merriam-Webster Dictionary)
d) The count must not be conducted by the same person who enters narcotic purchases into the records.

3. Reconciliation

a) Perpetual inventory, physical inventory counts, and purchase invoices must be reconciled and documented.
b) Discrepancies must be investigated, addressed, and documented on a narcotic incident report and maintained at the pharmacy for a period of not less than 3 years.

4. Documentation Requirements

a) The inventory counts and reconciliation documentation must be kept in chronological order in a separate and dedicated record that is retained for 3 years.
b) Within 10 days of the discovery of a loss or theft of a narcotic, the pharmacy manager must:
   i. report the loss or theft to the local police and to the appropriate office at Health Canada. (Note: Shortages which cannot be accounted for must also be reported to the appropriate office at Health Canada.)
   ii. forward to the College a copy of any report sent to the appropriate office at Health Canada. (Note: Please refer to PPP-74 Community Pharmacy Security)

BACKGROUND:

The above policy statement is supplemental to PODSA Bylaw 18 and 19, PPP-74 Community Pharmacy Security, and the Narcotic Control Regulations.

APPENDIX:

Sample – Perpetual Inventory Form

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Reconciliation: To check (example a financial account) against another for accuracy (Merriam Webster Dictionary)