

This policy sets out requirements for pharmacy managers on complying with their obligations for narcotic counts and reconciliation under the *Pharmacy Operations and Drug Scheduling Act* (“PODSA”) Bylaws sections 18(2)(s), 18(2)(t), 23.1(1), and if applicable, section 31(6).

POLICY STATEMENTS:

1. Perpetual Inventory

- a) A pharmacy manager must ensure that a separate perpetual inventory log for each narcotic drug is maintained for the pharmacy, telepharmacy, pharmacy satellites and all areas of a facility where narcotics are stored.
- b) A perpetual inventory log may be manual¹ or automated, and 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) Each entry in the perpetual inventory log must have an associated record, including but not limited to the following
 - i. purchase record,
 - ii. prescription,
 - iii. loss and theft reports, and
 - iv. record for purchase returned, expired, transferred, or destroyed.
- d) Any adjustment to an entry in a perpetual inventory log must be documented, including
 - i. the reason for the adjustment,
 - ii. the date adjusted,
 - iii. the identity of the person who made the adjustment, and
 - iv. the identity of a full pharmacist authorizing the adjustment.

2. Counts and Reconciliations

- a) A pharmacy manager must ensure that physical inventory counts and reconciliations for each narcotic drug are completed for the pharmacy, telepharmacy², pharmacy satellites and all areas of a facility where narcotics are stored:
 - i. at a minimum of every 3 months,
 - ii. after a change of pharmacy manager,
 - iii. after a break and enter or robbery,
 - iv. after an identified drug diversion,
 - v. when a pharmacy closes and ceases to operate its business, and
 - vi. after any event where the security of the narcotic drugs may have been compromised.

1 See sample Perpetual Inventory Form: http://library.bcpharmacists.org/7_Forms/7-7_Others/9060-Narcotics_Inventory_Form_Sample.pdf

2 Please note that as per section 31(6) of the PODSA Bylaws, a telepharmacy located at an address listed in Schedule “G” to those bylaws must perform a monthly count of narcotics at the telepharmacy and retain a record of each monthly count signed by the supervising pharmacist for three years at both the central pharmacy and the telepharmacy location, and provide the signed record to the registrar immediately upon request.

- b) A physical inventory count for each narcotic drug must be conducted prior to each inventory reconciliation in accordance to the following requirements:
 - i. all inventory must be counted, including
 - active inventory,
 - compounded mixtures, and
 - non-usable and expired inventory;
 - ii. when completing a physical inventory count, the following information must be documented
 - the name, strength, quantity, and DIN/brand of the drug counted,
 - the date and signature of the person(s) who completed the count, and
 - the date and signature of the responsible pharmacist, and
 - iii. the count must not be conducted by the same person who enters narcotic purchases into the records.
- c) An inventory reconciliation must include the following components:
 - i. the physical inventory count is compared with the perpetual inventory count for accuracy and discrepancies;
 - ii. associated records of the perpetual inventory log are audited for completeness, accuracy and discrepancies; and
 - iii. discrepancies must be investigated, addressed, and documented on a narcotic incident report together with relevant supporting information.
- d) The completion of each physical inventory count and reconciliation must be verified and signed by the pharmacy manager.

3. Documentation Requirements

- a) The perpetual inventory record must be retained for a period of not less than 3 years.
- b) The physical inventory count and reconciliation documentation must be maintained and retained in chronological order in a separate and dedicated record for a period of not less than 3 years.
- c) If a loss or theft of a narcotic is discovered, the pharmacy manager must:
 - i. notify the College within 24 hours of the incident in accordance with *PPP-74 Community Pharmacy Security*;
 - ii. report the loss or theft within 10 days in accordance with Health Canada's requirements; and
 - iii. forward to the College a copy of any report sent to Health Canada in accordance with *PPP-74 Community Pharmacy Security*.