

## SOP Standard Operating Procedure

<b>TITLE</b>	<b>Global HOPE Pharmacy Inventory Management</b>
<b>SOP #</b>	10765
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<b>THIS PROCEDURE APPLIES TO:</b>	All Global HOPE Operations, Faculty & Staff at Baylor International Pediatric AIDS Initiative ( <b>BIPAI</b> ) Non-Governmental Organizations (NGO)
<b>CATEGORIES</b>	Subcategories of Clinical not selected. → Subcategories of Clinical not selected.

### STATEMENT:

This standard operating procedure (**SOP**) explains the inventory process of pharmaceutical products.

## Standard Operating Procedure

1. Facility Formulary List (Standard list of items in stock): A standard list of stock items including all the products handled, their specifications (ex: form, strength, and quantity per package).
  - 1.1. The list must be maintained and regularly updated.
  - 1.2. Products that are not on the standard list should not be ordered without special permission and deliveries of products not on the list should not be accepted unless special circumstances are identified.
  - 1.3. Inventory should be maintained for all items on the list.
2. Stock records: Minimum information that should be recorded for medications and health products include: product name/ description (ex: form and strength), stock on hand/ beginning stock amount, receipts, issues, losses/ adjustments, closing/ ending balance, and transaction reference ( ex: issue number, name of supplier/ recipient etc.)
  - 2.1. Depending on system, stock records can also have more information, ex: special storage conditions (e.g., 2° to 8°C), unit prices, lot number/ bin location, item codes, and expiration dates.
  - 2.2. A storage and distribution system will need to keep forms to record stock keeping data and product transactions. Standard inventory control forms include: stock cards, bin cards, requisition/ issue vouchers, receiving forms, delivery/issue vouchers, expired stock disposal forms, physical inventor forms, list of approved medications and prices.

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3. Physical Inventory: Process of manually counting each type of product in store at any point in time to help ensure stock on hand balances recorded on stock keeping records match quantities actually in store. When conducting physical inventory, count each product individually by its generic name, dosage form, and strength. The two kinds of physical inventory:
  - 3.1. Complete: All items are counted at the same time. A complete inventory should be completed at least once per year. More frequent (every quarter or month) is recommended. It is easier to conduct this regularly at institutions that manage smaller quantities.
  - 3.2. Cyclic/random: Selected items are counted and checked against stock keeping regularly or on rotating basis throughout the year. Usually, this is done at facilities managing larger quantities of products. This can be organized in terms of dosage form, location in storeroom or when staff have time available.
  - 3.3. Steps in conducting physical inventory:
    - 3.3.1. Plan- For complete inventory, schedule date and time. For cyclic/ random inventory, identify the products to be counted and corresponding time for those products.
    - 3.3.2. Assign staff
    - 3.3.3. Organize storeroom- Products must be arranged FEFO. Open cartons and boxes must be visible and damaged/ expired products must be separated.
    - 3.3.4. Count usable products- Products should be counted according to the issued units (e.g., tablet or piece) not by the carton/ box. Quantities can be estimated for bulk, open containers.
    - 3.3.5. Update stock keeping records- Record the date of physical inventory, noting it with the words "Physical Inventory." Use a different color ink, and write the product quantity you counted.
    - 3.3.6. Take action based on the results of the physical inventory- If physical inventory counts differ from the balance on the stock/bin card, update balance. Dispose damaged/ expired products encountered. When these occur, identify, document, and correct the cause of the problem.
    - 3.3.7. Discuss physical inventory findings with facility staff- take corrective measures, if required.

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### REFERENCES:

Guidelines for the Storage of Essential Medicines and Other Health Commodities. World Health Organization. <https://apps.who.int/medicinedocs/en/d/Js4885e/9.html>. Published 2003. Accessed February 28, 2020.

### SOP Administrator Use Only:

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