



HOUSE OF ASSEMBLY MANAGEMENT COMMISSION

DIRECTIVE

2025-001

Effective Date: March 24, 2025	Commission Minute: CM 2025-013
Subject: Amendments to <u>Inventory Management Policy</u> regarding disposal of assets.	Reference: Commission meeting – March 19, 2025
Issued To: Members of the House of Assembly; Comptroller General; Directors of Government Accounting, Professional Services and Internal Audit, Financial Systems Control and Corporate Services; Office of the Auditor General; Government caucus office, Official Opposition caucus office and Third Party caucus office; Deputy Clerk, Executive Council; Deputy Chief of Staff, Office of the Premier.	Contact: Megan Neal Manager of General Operations and Purchasing, House of Assembly 709-729-5893 megannealgov.nl.ca

BACKGROUND

The Management Commission established the Inventory Management Policy pursuant to its authorities under subparagraph 20(6)(b)(ii) of the *House of Assembly Accountability, Integrity and Administration Act* (HOAAIAA) to provide for the accounting and control of the inventory of moveable assets including proper acquisition, measurement, safeguarding, write-downs and disposal.

Previously in accordance with the Policy, the disposal of items which were no longer serviceable or considered obsolete were disposed of in accordance with the Government Purchasing Agency Customer Manual. Through recent discussions with the Public Procurement Agency, it was determined that the Manual no longer exists and the process for disposal of assets in the Executive branch was recently modified. Analysis of the revised process, which delegates authority to a Deputy Minister to approve the disposal of assets, indicated that the delegated authority was in accordance with the *Executive Council Act*, which does not apply in the Legislative branch to the Speaker or the Clerk of the House of Assembly.

The Management Commission considered the matter at its March 19, 2025 meeting, and directed an amendment to the Inventory Management Policy to delegate authority to the Clerk to approve the disposal of assets in the Legislative branch, consistent with the disposal process applied in the Executive branch.

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The Commission, pursuant to subsection 20(4) and subparagraph 20(6)(b)(ii) of the *House of Assembly Accountability, Integrity and Administration Act*, directed that Section 4.7 of the Inventory Management Policy be repealed and replaced with the following:

“The Commission delegates authority to the Clerk of the House of Assembly to approve the disposal of items which are no longer serviceable or are considered obsolete, and these items will be removed from the inventory management system accordingly.”

The amended Policy is attached.

A handwritten signature in black ink that reads "Kim Hawley George". The signature is written in a cursive style with a large, looping "G" at the end.

Kim Hawley George, KC
Clerk of the House of Assembly



House of Assembly

Inventory Management Policy

Amended March 2025

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1. Approval

Under the authority of subparagraph 20(6)(b)(ii) of the *House of Assembly Accountability, Integrity and Administration Act*, the House of Assembly Management Commission establishes this inventory management policy.

2. Purpose

To provide for the accounting and control of the inventory of moveable assets including proper acquisition, measurement, safeguarding, write-downs and disposal.

3. General

Subsection 25(2) of the *Members' Resources and Allowances Rules* states: "All purchases within the standard office allocation remain the property of the government of the province and shall be identified by appropriate markings as House assets".

Subsection 25(4) states "the clerk shall maintain and update an inventory report of all House assets entrusted to each member."

Subsection 25(5) states "a member is personally responsible for all items in an inventory and shall account on an annual basis or on demand to the speaker for the items listed in his or her inventory report".

The objective of this policy is to ensure that internal controls are in place to safeguard and manage the inventory of moveable assets of the Legislature (including all asset items entrusted to Members) in an efficient and effective manner.

4.0 Process

This policy applies to all inventory items which meet the definition of inventory under Section 4.1 and are purchased for Members of the House of Assembly, their Constituency Assistants and for the House of Assembly Service, Caucus Offices and Statutory Offices.

4.1 Definition

For the purposes of this policy, inventory is defined as:

- a. All office furniture and equipment included in the standard office allocation (as defined in subsection 25(1) of the Members' Resources and Allowances Rules) and located in constituency offices outside the Confederation Building;
- b. Other office furniture and equipment items purchased for constituency offices outside the Confederation Building with a cost in excess of \$200 per item;
- c. All other office furniture and equipment with a cost in excess of \$200 per item;
- d. Blackberries and cell phones for Members and staff regardless of the cost per item; and
- e. Historic and cultural assets

4.2 Restrictions

- Office furniture and equipment includes but is not restricted to, computers, laptops, printers, fax machines, photocopiers, televisions, cameras, any specialized equipment, blackberries, cell phones, desks, filing cabinets, chairs, tables.
- Items excluded are office supplies, library materials, election readiness materials (forms, maps, booklets, ballot paper, etc.).

4.3 Acquisition

All inventory items will be acquired in accordance with the *Public Procurement Act* and related policies, except where amended by a Rule, Directive or Decision of the House of Assembly Management Commission.

4.4 Recognition and Measurement

Inventory will be recorded at historic cost. If the historic cost is not available, the item will be recorded at estimated historic cost.

4.5 Safeguarding

All inventory items will be recorded in the inventory system maintained by the Corporate and Members' Services Division of the House of Assembly Service.

The Inventory System will record for each item:

- description of the item;
- acquisition date and historic cost;
- purchase order number (if applicable);
- supplier;
- warranty;
- location; and
- asset tag number; etc.

All items except cell phones and historic and cultural assets will have an asset tag affixed to indicate the ownership of the government of the Province. Asset tags are assigned a number that matches a specific inventory item in the inventory system.

It is the responsibility of each Member of the House of Assembly, director or statutory officer to ensure that inventory items assigned to his or her custody are maintained and safeguarded.

At least once a year, a report which includes a listing of the assigned inventory items will be forwarded to each custodian. These reports must be verified for completeness and accuracy, and any changes reported to Corporate and Members' Service Division.

Physical counts of all inventory items will be conducted by Corporate and Members Services (or designates) on a periodic basis and at a minimum, once each general assembly.

As a general rule, all items should remain at the physical location assigned to them. Should it be necessary to move an item, it is the responsibility of the custodian to inform Corporate and Members' Service Division to ensure that the inventory system is updated to reflect the new location.

It is the responsibility of the custodian to report any stolen, lost or damaged inventory items to Corporate and Members' Services Division.

All inventory items purchased with government funds remain the property of the government of the Province.

4.6 Write-downs

Inventory items will be written down when a reduction in the value of their service potential can be measured and the reduction is expected to be permanent.

4.7 Disposals

The Commission delegates authority to the Clerk of the House of Assembly to approve the disposal of items which are no longer serviceable or are considered obsolete, and these items will be removed from the inventory management system accordingly.