



## Illinois Department of Corrections

### Administrative Directive

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| Number:<br><b>02.82.101</b> | Title:<br><b>General Provisions</b> | Effective:<br><b>1/1/2021</b> |
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| <b>Authorized by:</b> | <i>[Original Authorized Copy on File]</i><br><b>Rob Jeffreys</b><br>Acting Director |
| <b>Supersedes:</b>    | 02.82.101 effective 1/1/1996  |

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| <b>Authority:</b><br>730 ILCS 5/3-2-2 | <b>Related ACA Standards:</b><br>5-ACI-1B-01, 03, 07, 08, 11 – 14, 18 and 19 |
| <b>Referenced Policies:</b>           | <b>Referenced Forms:</b>   |

#### I. POLICY

A standardized inventory control system shall be used for commodities throughout the Department.

#### II. PROCEDURE

##### A. Purpose

The purpose of this directive is to define terms used in the commodities control system.

##### B. Applicability

This directive is applicable to all correctional facilities, offices, programs and parole services within the Department.

##### C. Facility Reviews

A facility review of this directive shall be conducted at least annually.

##### D. Designees

Individuals specified in this directive may delegate stated responsibilities to another person or persons unless otherwise directed.

##### E. Definitions

The following terms shall be used throughout this section:

**Accrual Accounting** – the basis of accounting under which the effects of transactions and other events related to a fund are recognized and reported in the time period to which they relate, regardless of when cash is received or disbursed.

**Direct Charge** – a transaction for which the items received are not placed into the facility storeroom, but rather are delivered to a location where consumption is considered to occur immediately (e.g., delivery of bread and milk to the institutional kitchen). Also included in this category are all items which have a unit cost of 50¢ or less.

**Forward Stock** – a minimal supply of items which are removed from stock and maintained in a separate area for immediate issuance upon demand. Forward Stock shall not normally exceed one week's expected usage. For Transitional Security facilities, all inventory shall be considered forward stock.

**Perpetual Inventory** – an inventory record which reflects the quantity and value of receipts, issues and adjustment for each item.

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Moving Average Cost Method – an inventory costing method wherein after each goods receipt, the average unit cost of the item is recomputed by adding the cost of the newly-acquired items to the cost of the items already in inventory, then dividing by the new total number of items to calculate total value of the items.

**F. General Provisions**

The commodities control system provides the organizational structure and operating policies for maintaining and controlling all commodities received. The goals of this system are to:

1. Account for all commodity items received.
  2. Centralize responsibility for managing inventories in the facility Business Office.
  3. Maintain records that reflect commodity usage and consumption at each facility.
  4. Ensure accurate accounting records are maintained.
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