

Drug Inventory Management in Financial Perspectives on Pharmacy Installations

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Abstract: The purpose of this study is to describe the application of medicine inventory management from a financial perspective on ABC Hospital Pharmacy Installation. This type of research is qualitative research with descriptive analysis. Data collection techniques used are observation, interviews, and documentation. The research area is the Pharmacy Installation, which consists of Pharmacy Warehouse, Inpatient Pharmacy, and Outpatient Pharmacy as well as Accounting. Informants in this study consisted of the Head and Hospital Pharmacy Installation staff, Pharmacy Warehouse officers, and Medicine Purchasing Officers and the Head of Accounting. The results showed that the storage and distribution of medical supplies implemented in Inpatient Pharmacy and Outpatient Pharmacy, namely the FEFO method and the FIFO method. However, this method implemented in the Pharmacy Warehouse, so there needs to be an improvement. Although there are still expired medicines, this has to the maximum. The medicine inventory recording system used in the Hospital Pharmacy Installation is quite good; using a perpetual system and a periodic system. However, in practice, there are still many weaknesses. Improvements are needed by staff at the Hospital Pharmacy Installation, supporting computer systems and by staff in Accounting. FIFO method is the most efficient method because it is the most realistic with the current conditions. The data collection is considered the easiest.

Keywords: Inventory Management, Pharmacy Installation, FEFO, FIFO

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I. Introduction

In the series of services provided to patients, whether in hospitalization, outpatient care, or in the emergency department, in addition to being examined both by doctors and other health workers, or getting medical treatment, patients will also be given medication by doctors according to indications of their illness. Drug delivery services for patients are carried out by the Hospital Pharmacy Installation.

Management of drug supplies at the Hospital Pharmacy Installation in the financial perspective includes the method of storing and distributing drug supplies, the system of recording inventory of drugs, and the method of cost of drug inventory used.

Hospital pharmacy installations in managing drug supplies are significant because of the large variety of drugs, a large number of items, high transactions, and long distribution channels. The accuracy in recording and physical transactions and the cost methods also used significantly affect the value of inventories in the financial statements.

ABC Hospital is a health institution located in City X, a type C hospital, and has passed full accreditation. The management of drug supplies in the Hospital Pharmacy Installation must be a concern because it dramatically influences financial conditions.

The amount of physical drug inventory in the Hospital Pharmacy Installation calculates every month. There is always a significant difference with the results of inventory calculations on a computer system, which is the recording of transaction results. Moreover, from observations made, it was found that the drug's price used to calculate the value of the drug inventory based on the last purchase price.

II. Literature Review

According to (Heizer and Render, 2014), inventory management is a system used in inventory management. Managing inventory involves selecting, planning, procuring, receiving, storing, distributing, controlling, and recording. The purpose of inventory management is to maintain the availability of goods in order to meet customer needs and also cost-effectiveness.

Warren et al., 2014 stated that inventory management is critical to protect inventories from damage and report inventory in financial statements. To report inventories in financial statements can use various methods. Inventories are goods or materials that are stored and will be used at certain times and for specific purposes. For example, for the production process, for resale or as a backup of the equipment used.

According to Agus Ristono (2013: 1), inventory can be interpreted as goods stored for use or sale in the future or period. Inventories consist of raw material inventory, semi-finished material inventory, and finished goods inventory. Meanwhile, according to Martin et al. (2012: 246), Trade entities, both retail and wholesale companies, record inventories as merchandise inventory. This inventory of merchandise is goods purchased by a trading company for resale in its ordinary course of business. As for manufacturing entities, inventory classification is relatively diverse. Inventories include finished goods inventory, which is ready-to-sell goods, work in process inventory, semi-finished goods, and raw material inventory, which is the material or equipment used in the production process.

According to the Indonesian Accounting Association in the Financial Accounting Standards for Entities Without Public Accountants (SAK ETAP) No. 11 of 2013, the definition of inventory is an asset to be sold in the ordinary course of business, in the production process for later sale; or in the form of materials or equipment for use in the production or service process.

Based on the Regulation of the Minister of Health of the Republic of Indonesia Number 72 the Year 2016 concerning Pharmaceutical Service Standards in Hospitals, a function implementing unit that organizes all pharmaceutical service activities in Hospitals. Pharmaceutical services are direct and responsible services to patients relating to pharmaceutical preparations to achieve definite results by improving patients' quality of life. Pharmaceutical preparations are medicines, medicinal ingredients, traditional medicines, and cosmetics. Drugs are ingredients or alloys of materials, including biological products used to influence or investigate physiological systems or pathological conditions in the context of determining a diagnosis, prevention, healing, recovery, health improvement, and contraception for humans.

Inventory Storage and Distribution Method

Physical methods of storing and distributing goods that can be used are According to Rudianto (2012: 223). The method of physical storage and distribution of goods that can be used is FIFO (First In First Out), LIFO (Last In First Out), FEFO (First Expired First Out). In this method, the most recently entered (purchased/produced) goods will be issued/sold the earliest. So, goods that suck at the end of the period are goods that originated from the initial purchase period.

Storage and distribution of goods in the LIFO or Last In First Out method us to facilitate the structuring process, both loading and taking goods. This method generally uses for goods that can last a long time or items that, if stored more extended, the quality will be better. However, International Financial Reporting Standards (IFRS) prohibit the use of this method, as well as the Statement of Financial Accounting Standards in Indonesia (Warren et al., 2014).

Inventory Recording System

In this method, every time there is a purchase of inventory will record in the purchase account. Whereas at the time of sale, sales at several sales prices and the cost of goods sold for each transaction are not calculated. At the end of the business period, to prepare financial statements, physical inventory must determine the value of ending inventory and cost of goods sold.

There are two inventory recording systems that, according to Rudianto (2012: 222), namely the physical method or also called the periodic method, is a method of inventory management. The use of physical methods requires the calculation of goods (remaining) at the end of the accounting period when preparing financial statements. Initial inventory of goods xxx, Purchase of xxx, Total inventory of xxx, end of inventory xxx, and cost of goods sold XXX.

The cost of goods sold is the purchase price or the total production cost of several goods sold in a certain period. To determine the cost of goods sold in a given period, the volume and value of ending inventory in that period must be known. Moreover, to determine the value of the ending inventory, physical calculations must be carried out (stocktaking) in the warehouse. This Perpetual System is a method of inventory management in which inventory inflows and outflows recorded in detail. Meanwhile, according to Martin et al. (2012: 250), there are two inventory recording systems; namely, the periodic system is a periodically determined inventory that is only when physical calculations are usually carried out by stock taking, the perpetual system is an up to date recording system for inventory items always done every time there is a change in the value of inventory. By Regulation of the Minister of Health of the Republic of Indonesia Number 72 the Year 2016, the management of drug supplies in the Hospital Pharmacy Installation is also accompanied by a management information system.

Inventory Cost Method

This method is needed to identify the historical cost of the inventory unit. With individual identification, the recorded cost flow adjusted according to the physical flow of goods; the average cost method

uses the same average cost per unit—this method based on the assumption that goods sold should be purchased at each price.

Meanwhile, according to Baridwan (2012: 158), there are four inventory valuation methods, specific identification methods are based on the budget that the flow of goods, must be the same as the flow of costs. Thus, it is necessary to separate each type of goods based on the cost of goods. For each group, a separate inventory card made so that each item's cost can be known. The cost of goods sold consists of the cost of goods sold. The remainder is the final inventory—this method is used in companies that use the process of recording inventory in a physical or book way. However, because this method creates much additional work and extensive warehouses, it is rarely used, first-in-first-out (MPKP / FIFO). The cost of supplies will charge according to the order in which they occur. If there is a sale or use of goods, the maximum price charged is the most basic, followed by the next entry.

Martin et al., 2012, in his book, argue that the assumption of cost flows used by an entity may be different from the assumption of physical flows from its inventory. Accounting standards do not regulate that a company must choose cost flow assumptions that are by physical inventory flows.

III. Research Methods

This research is qualitative research with descriptive analysis. Data collection techniques used are:

1. Observation is a way of collecting data by making observations and recording the phenomena being targeted by observations. The researcher would conduct participatory observation where the researcher was involved with the daily activities of the subject being observed. with this technique, the researcher has the role in observing drug inventory management activities in the Pharmacy Installation when there is a drug transaction (starting from when the drug enters until the time the drug is released) which includes a method of storing and distributing drug supplies, a system of recording inventory of drugs and a method of inventory cost of drugs. Observations in this study will be conducted at the Hospital Pharmacy Installation, which consists of Pharmacy Warehouse, Inpatient Pharmacy, Road Pharmacy, and the Accounting Department.
2. Interviews were conducted with the head and staff of the Hospital Pharmacy Installation and the accounting department head to obtain data related to the management of drug supplies.
3. Documentation, this technique is used by researchers to look for data in the form of notes or writings relating to the implementation of drug inventory management in ABC Hospital Pharmacy Installation. The purpose of the documentation is to add and complete data and information about the implementation of drug supply management in ABC Hospital Pharmacy Installation and evidence and documents to increase research credibility.

IV. Results And Discussion

Method of Storage and Distribution of Drug Inventories

In research conducted regarding the storage and distribution of drug supplies in ABC Hospital Pharmacy, the results obtained: In the ABC Hospital Pharmacy Pharmacy Services Guidance referring to the Regulation of the Minister of Health of the Republic of Indonesia Number 72 the Year 2016 regarding Pharmaceutical Service Standards in Hospitals, for storage and distribution of drug supplies the method used is the FEFO (First Expired First Out) method and the FIFO (First FIFO method) In First Out).

The existing Pharmacy Warehouse is slightly different from other warehouses in general because it is used, where drug storage carried out in Inpatient Pharmacy and Outpatient Pharmacy. This Pharmacy Warehouse only functions for receiving drugs from distributors and storing consumables for service units. Drugs that are ordered for Inpatient Pharmacy and Outpatient Pharmacy immediately distribute by informing the Inpatient Pharmacy and Outpatient Pharmacy staff to make the collection. Drug orders routinely carried out once a week, i.e., every Monday, and drug orders will come Tuesday, Wednesday, or Thursday. If there is not enough medicine, orders made that are not routine as needed. Estimated number of drug orders adjusted for the transaction criteria.

Due to the limited space and existing facilities, the staff understands that the goods stored in the Pharmacy Warehouse are not long because they will soon be distributed and have an extended expiration date. The procedure for storing drugs carried out both in the Inpatient Pharmacy and in the Outpatient Pharmacy is the same, which starts when the drug order arrives, and the officer takes it in the Pharmacy Warehouse. The medicine received will be physically counted in front of the Pharmacy Warehouse staff. After that, it will be taken to both the Inpatient Pharmacy and the Outpatient Pharmacy. Some medicines are arranged on the shelf of drugs by groups of shelves such as syrup drug racks, patent drug racks, generic drug racks, and alphabetical order or drug names listed on the drug racks. Some will be stored in small warehouses that exist in the Inpatient Pharmacy or Outpatient Pharmacy area.

Moreover, by using the FIFO (First In First Out) method, which is placing the newly arrived drug behind or below the drug that is on the drug rack for drugs that have the same expiration date, so that when

taking (distributing) drugs for service transactions to patients, FEFO method and FIFO method can be done. Rules used in receiving drugs are drugs with fast-moving criteria (which use a lot and large transactions) minimum expiry period is six months after the drug is received and for drugs with medium criteria up to slow-moving (which use a little and the transaction is long) at least two years. Checking the expiration date of this drug is also done when taking (distributing) the drug for service transactions to patients. It is a means of control if there is a drug whose expiration is close, then given a distinctive mark (pink paper written on the expiration date).

From the results of interviews with the head of the Hospital Pharmacy Installation, information obtained that there were still drugs that were expired even though they were not many and that these expired drugs physically destroyed by applicable regulations as outlined in the Pharmacy Installation Service Guidelines Hospital are included in B3 waste (hazardous and toxic material).

Drug Inventory Recording System

Related to the recording system of drug inventory used in the Hospital Pharmacy Installation is a recording system that is carried out continuously every time there is a transaction with a computerized system (hospital management information system). Whether it is a purchase transaction (when the goods arrive), a sales transaction (when the goods come out), or when there is a purchase return that results in the goods decreasing or when there is a sales return that results in the goods increasing. For recording using an electronic stock card, but this stock card only contains the activity of entry and exit of drugs based on the amount without the purchase price or cost of goods sold.

In this electronic stock card, the report is based on the name of the drug. All drugs that contain a quantity of drug entry and exit transaction activities, along with the purchase price, which ultimately results in the final inventory value of the drug in one period, are issued in the form of a Mutation Report. Although the recording is done in real-time, this Transfer Report can only be issued within one month if it has been posted for that month. This is because the purchase price used is the final purchase price, so the determination is at the end of the period. However, this Mutation Report is not used as a source of data in the financial statements in accounting, only for evaluations related to the value of inventory in the Hospital Pharmacy Installation, which will be compared with the calculation results physical stock.

In addition to recording continuously on a computer system (perpetually) in the form of an electronic stock card, every month the Hospital Pharmacy Installation carries out stocktaking (physical counts) of drugs both in the Pharmacy Warehouse, Inpatient Pharmacy, and Outpatient Pharmacy to find out the amount of each drug physically. Stocktaking medication is done every end of the month within one day by involving all existing officers. In principle, the procedure of stocktaking done at the Pharmacy Warehouse, Inpatient Pharmacy, and Outpatient Pharmacy is the same; only the difference is that at the Pharmacy Warehouse one person starts counting the physical stock, recording the results of the calculation and entering it into the computer system (physical stock entry) but in Inpatient Pharmacy and Outpatient Pharmacy is done by all officers with the division of tasks.

Stocktaking procedure, the head of the Hospital Pharmacy Installation prepares a form that lists the names of drugs according to the group of drugs according to the rack, divides the task to all officers to calculate the physical stock of drugs based on the form that has been prepared, counting starts from the small warehouse, all officers calculate the physical stock of the drug and record it on the form that has been given. A recording is done by counting the drugs that have been removed from the packaging box in the smallest unit plus the amount that is still in the packaging box multiplied by the smallest number of units in the box, when the stock is taken, the services in the Inpatient Pharmacy and Outpatient Pharmacy are still running. Suppose the drug that has been counted must be taken because there is a sale. In that case, the transaction evidence is printed twice, one for service needs and the other as data to reduce the results of the calculation done after all officers have finished counting and recording the physical stock of the drug. The results of the recording are submitted to the admin officer, or the officer appointed to recap the results of the calculation in the smallest unit, including reducing the number of drugs according to the evidence of actual transactions and then entering the data into a computer system (physical stock entry). However, before the Hospital Pharmacy Installation officer made a physical stock entry, the RS SIM officer posted on the computer system and the computer system the results of the physical stock entry compared to the stock data on the computer system obtained from the results of recording transactions continuously (real-time). The difference will be processed as adjustment data so that the stock in the system is the same as the physical stock. The calculation of physical stock will be a reference for determining the amount of stock and value of inventory at the end of the month.

From the results of research conducted, by the phenomenon found that there is a problem of the incompatibility of the amount of physical drug inventory with the amount of drug supply in a computer system which is the result of transactions that record continuously, the number of types of drugs that are not suitable is very significant.

From the sample data taken in April 2020, the number of drugs in the Outpatient Pharmacy was 1816 types. There were 634 types of drugs, or about 35% found there was a difference between physical stock and stock in the computer system. The difference is that the physical stock is smaller than the stock in the system, where the difference is negative as much as 416 types of drugs or 23%. However, conversely, there is also a physical stock that is greater than the existing stock in a positive difference system of 218 types of drugs or 12%. Moreover, from the number of drugs whose physical stock and stock in the same system are 1182 types of drugs or 65%, zero stock is 837 types of drugs or 46%, so that the number of drugs in the same physical stock and the stock system is only 345 types of drugs or 19%.

The amount of drug difference between the physical stock and the stock in the system in the smallest unit varies greatly from minus 40,701 to positive 9,893. Moreover, when multiplied by the drug's price, the amount of the difference is enormous, which is minus Rp. 80,158,749, - So that every month an amount of stock in a computer system must be adjusted based on the calculation of physical stock. The adjustment is made at the beginning of the following month. Moreover, this problem occurs not only in Outpatient Pharmacy but also in Inpatient Pharmacy and Pharmacy Warehouses.

From the results of interviews conducted with the head and staff of the Hospital Pharmacy Installation, it is known that there are several causes of the problem of the difference between the physical stock with the stock in the computer system, both when making transactions or distributing drugs to patients, as well as when taking stocktaking. When making transactions to patients, an error occurs because of differences in physical administration of drugs with those transacted in a computer system (drugs with the same active substance). For example, drugs that are traded on the Amoxan Forte computer system but which are given to Amoxan Syrup patients or vice versa, an error occurs because of differences in understanding, the same drug with two different brands or names are entered only in 1 specific name, such as Acarbose there are two names namely Acarbose and glucose. In a computer system, there are already two names.

However, some officers understand that in a computer system, only one name is made so that the transaction is entered only in one particular name. At the same time, the drugs given to patients are two types of drugs, there are conditions where when the drug stock is empty due to a vacancy from the drug distributor, or delays in ordering drugs or running out of drugs due to the increasing number of uses, while in service to BPJS patients, for the procedure of claiming drug services must be one with the whole service, it is decided to continue to transact the drugs in a computer system so that drug services can become one. In the computer program used, if the stock in the computer system is zero, then the drug cannot be transacted; therefore, the pharmacist will add an emergency stock and transact the drug in the system, but physically the drug has not been given to the patient. The drug will be given to the patient when the drug is already available, logically at that time, the physical stock and stock in the same system. When the ordered drug arrives, is transacted as goods entered in the computer system, and physically the drug is given to the patient, there should be an adjustment in the computer system to reduce the amount of stock, i.e., by reducing the emergency stock so that the amount of stock is the same, but this is not going well because there are still obstacles in the program and the officer is having trouble finding suitable transactions to make a reduction, causing a stock gap.

Because the computer program is designed that emergency stocks can be reduced only when there is an increase in emergency stock (emergency stock reduction is made in addition to emergency stock) and to overcome stock shortages in one part of the Hospital Pharmacy Installation both Inpatient Pharmacy and Outpatient Pharmacy, there is a policy that each can request medication in an emergency.

Systematically, the computer program has been facilitated to carry out the transfer or transfer of this drug so that it is expected that when the drug is given physically, this system will be recorded in the second part. However, in its implementation, there are still weaknesses in the computer program because the process is quite long. The officers are still experiencing difficulties so that it has not can do as they should. This also causes a difference in the number of drugs physically in the computer system. When carrying out stocktaking, there was an error in calculating the number of drugs. There was an error in recording the number of drugs, and there was an error in entering the data of the calculation of stocktaking into the computer system (physical stock entry).

In the system of recording drug, inventory is not only done by the Hospital Pharmacy Installation but also carried out by staff in the Accounting section about financial statements. Drug inventory data obtained describes the calculation process carried out in the Accounting section, which is the source in the financial statements.

From these data, after observation and interviews with the head of the Accounting department and data analysis by the researchers obtained the results, the recording system in the Accounting section is conducted once a month at the end of the period, namely journalizing for purchases and cost of goods sold. Purchase data is taken from the Pharmacy Warehouse Purchase Report. Then this data is published in a journal as Inventory on Accounts Payable. This purchase data is also used as a calculation component to determine the value of ending inventory. Which ending inventory value is obtained by calculation:

Initial inventory plus purchases minus sales (estimated cost of goods sold) Cost of Goods Sold takes data from computer systems derived from drug sales transactions to patients and the use of service units. Then this data is journalized as Cost of Goods Sold in Inventories.

However, from the results of these calculations always found a very significant difference when compared to the value of the final inventory results of the calculation of physical stock conducted by the Hospital Pharmacy Installation. Physical stock yields. So that every month the accounting department will make adjustments to inventory. An error occurred in journalizing the ending inventory adjustment, so the ending inventory value in the financial statements is not the same as the ending inventory value from the physical stock calculation. This will cause a difference in the following month because the ending inventory value will become the following month's initial inventory value. For example, the results of the calculation of ending inventory value by the accounting department are Rp. 1,047,410,906, - and the calculation of the physical stock of the Hospital Pharmacy Installation amounting to Rp. 1,600,296,965, - so there is a difference of Rp. 552,886,059, - but the Accounting Department made adjusting entries in the amount of Rp. 859,339,878, so that the final inventory value on the financial statements should be the same as the inventory value of the inventory results in the Hospital Pharmacy Installation is different from the difference of Rp. 305,453,819. –

Drug Inventory Cost Method

The price used to determine the value of inventory and cost of goods sold is the final purchase price. This last purchase price is used in the Movements Report to calculate the value of the ending inventory of drugs in the Hospital Pharmacy Installation in a perpetual recording system in a computer program. It is also used during periodic recording when determining the value of the ending inventory from the results of the stocktaking that will be used by the Accounting section for recognition of the value of ending inventory. According to drug purchase staff, the price of drugs is relatively stable, not changing often.

Method of Storage and Distribution of Drug Inventories

From the results of research for the storage and distribution of drugs in Inpatient and Outpatient Pharmacy, it has been applied by the Hospital Pharmacy Installation Service Guidelines that refer to the Regulation of the Minister of Health of the Republic of Indonesia Number 72 the Year 2016, namely by using the FEFO method and the FIFO method, namely drugs with expiration dates. The closer one will be removed first by placing it at the top of the front so that it is easy when it will be removed. Likewise, the drug with a more extended expiration date will be removed later by placing it at the bottom of the back when storing it on the drug rack. The last entry will be removed later by placing it on the bottom or back of the drug rack. However, in the Pharmacy Warehouse, this not implemented, so there needs to be an improvement and adjust to the applicable rules, namely by using the FEFO method and the FIFO method.

The use of the FEFO method and the FIFO method expect to prevent the occurrence of expired drugs. According to the head and staff of the Hospital, Pharmacy Installation interviewed this attempt by exercising fairly strict controls when the goods arrived, were stored and distributed. Nevertheless, expired drugs are still found in amounts that are not too large. This happens because there are drugs that not use because there are no patients who need according to the indications or therapy using these drugs is outdated. Efforts to avoid drug expiration have been made by staff at the Hospital Pharmacy Installation by means of several months before the drug expires, they have notified the doctors if there are patients who need to be able to prescribe the drug. Then there also a vaccine for immunization which is an order from a patient but is canceled for various reasons. This condition, it can seem that even if an expired drug occurs because there is no other way to avoid it.

Drug Inventory Recording System

The use of both systems is in accordance with the opinion of Kartikahadi, 2012, Radiant, 2012 and Martani, 2012 although there is a slight difference where according to their perpetual recording system reporting using Stock Card which records in detail the entry and exit of goods along with the purchase price or the cost of goods sold, while the system continues recording applied at the ABC Hospital Pharmacy Installation with two models, namely by using an Electronic Stock Card to record the entry and exit of drugs as a result of transactions that only contain the quantity or amount of drugs and use a Mutation Report that records the activities of entry and exit of drugs with accompanying cost of purchase or cost of goods sold so that it can know the value of inventory at the end of the period. The use of this recording system is appropriate, but in practice, there are still many weaknesses so that there need to be improvements, both in terms of human resources, computerized systems as a support, as well as other systems. It is used in taking data sources for accounting.

From the HR side, improvements need to be made related to errors that often occur: when conducting drug transactions to patients, Hospital Pharmacy Installation officers need to be more careful and careful when entering drug transactions in the computer system and when preparing drugs and giving medicines to patients,

so that there is no difference even with the same active substances, so that the state of the stock physically and in the same computer system and the function of the officer who checks and submits the drug to the patient must be further improved by ensuring that the drug given is in accordance with the transaction evidence and needs to make an agreement so as to produce the same understanding for drugs with the same active substance but have different brands whether in a computer system will be made become one or in accordance with the brand/name respectively.

This needs to be made into a rule so that it can be done when doing the stocktaking. All officers must do it right, either when calculating the number of drugs that exist, noting in the form that has been prepared, or when entering into a computer system so that the calculation of physical stock in accordance with existing conditions. This is very important because the calculation of physical stock is what will become the final supply reference, whether in Inpatient Pharmacy, Outpatient Pharmacy, or Pharmacy Warehouse. Moreover, this data will also be the final inventory value of the Hospital Pharmacy Installation in the financial statements.

There is a need to modify the computer system in order to meet the user's needs to anticipate some conditions when there is a vacancy of drug stock because things cannot be avoided so that there is no difference between the drug stock in the computer system and the physical stock of the drug, that is, to transact BPJS patient drugs to in the computer system when the patient gets service even though physically the drug is not available and has not been given to the patient, and when the drug comes and is given to the patient and for the transfer system or transfer the drug from Inpatient Pharmacy to Outpatient Pharmacy and vice versa, it needs to be made simpler without going through a long process so that the drug can be immediately transacted to the patient.

The recording system carried out by the accounting department referring to the periodic recording that is done once at the end of the period. This system considered the most appropriate and efficient because it is done only once in a period, so it does not require a long time to do journalizing. Purchases that directly journalized as inventory, according to researchers, are better to use than if journalized first as a purchase, but in the end a journal must be made to return the purchase to inventory. According to Radianto, 2012, to prepare financial statements at the end of the accounting period are: Initial inventory plus purchases minus ending inventory is cost of goods sold or cost of goods sold.

This calculation also use by the Accounting department but not to find the cost of goods sold but to find the value of ending inventory by Initial inventory plus purchases reduced cost of goods sold to the value of ending inventory. Then, the value of the ending inventory will be compared, and the difference will be adjusted. The Accounting Department only looks for cost of goods sold and journalizes the cost of goods sold. So there are no more adjusting entries to the ending inventory value because they use two different data sources. In this way, there will be no mistake in journalizing adjustments in the final value of drug inventory in the accounting department because there is only one data source. So journalizing by the Accounting department related to drug supplies is: Purchases in one month will be journalized: Inventory xxx and Trade payables xxx; Cost of Goods Sold will journalized: Cost of Goods Sold xxx and Inventory xxx

Drug Inventory Cost Method

Of the three alternatives in determining inventory costs, according to Warren et al., 2014, the application of unique identification methods is not possible in the management of drug supplies because there are very many types of drugs and very high transactions. So the FIFO method and the weighted average method are possible to use. From the results of the research, the application of the FIFO method by using the last purchase price as a basis for calculating the value of the ending inventory of drugs is considered the most efficient when compared to the weighted average method, because to get the final purchase price data is more accessible than getting the average price of each type drug. Especially with the condition that drug prices tend to be stable and the regulation strategy so that at the end of the month there are not too many drug purchases so that the stock is not too excessive, it is estimated that the drugs in stock are the drugs that were purchased last or the drugs that were purchased at the same price. The use of the FIFO method will also make inventory values close to current conditions and financial statements realistic. With this FIFO method also anticipates mistakes in setting the cost of goods sold because it directly takes from the last purchase price, while if using the weighted average method, when the amount of stock is not appropriate (because it cannot be denied that the recording of drug inventory is still made many weaknesses so it is not appropriate, and many discrepancies are still found in the amount of stock), it will affect the results of the calculation of the average cost of goods sold and this will be sustainable because the cost of goods sold from the drug will previously be the basis for calculating the next cost of goods sold.

V. Conclusions And Suggestions

Based on the results of research on the study of drug inventory management in a financial perspective on ABC Hospital Pharmacy Installation which includes the method of storing and distributing drug supplies, the system of recording inventory and the method of cost of drug supplies, it can be concluded as follows, the method of storage and distribution of drugs applied at the Installation ABC Hospital Pharmacy, especially in Inpatient Pharmacy and Outpatient Pharmacy has been going well using the FEFO and FIFO methods. This is by existing regulations, which are the basis for its implementation, namely the Hospital Pharmacy Installation Guidelines, which refer to the Regulation of the Minister of Health of the Republic of Indonesia Number 72 of 2016. The use of the FEFO method and the FIFO method is the most appropriate and most efficient because it can anticipate expired drugs. The quality of the drug can be guaranteed because it is not stored too long and avoid damage. However, there are still weaknesses, namely that Pharmacy Pharmacy has not implemented this method due to limited space and existing facilities.

Although the Inpatient Pharmacy and Outpatient Pharmacy have implemented the FEFO method and the FIFO method, expired drugs are still found every month even though they are not many, and the value is not too large. This happened not because it was not anticipated, but because it was unavoidable, the system of recording inventory of drugs used at the ABC Hospital Pharmacy Installation, namely a perpetual system using a computer system via Electronic Stock Card and Mutation Reports and the periodic or physical system was appropriate, but in its implementation, there are still many weaknesses both in terms of human resources and computer systems that result in a very significant difference between the amount of physical stock and the stock in the computer system. While the records carried out in the Accounting section with the periodic system are the most efficient but have not been running well, and there needs to be an improvement in data source collection and simplification of the journaling and use of the FIFO method in the drug inventory cost method to determine the cost of goods sold at the Hospital Pharmacy Installation ABC is considered the most efficient because it uses the last purchase price where this is considered the closest to the current conditions and more realistic and more comfortable to get the data.

For ABC Hospitals: a. Pharmacy Warehouse needs to apply the FEFO and FIFO methods to store and distribute goods and add rooms and facilities as needed. It is expected that all staff in the Hospital Pharmacy Installation be more careful in recording drugs when making transactions to patients and when taking stock taking. Need to repair and modify computer programs by needs. The accounting department advise to make improvements in taking data sources and journalizing drug supplies for further researchers. Suggestions for further researchers to be able to examine more in other factors so that it can be compared with this study and obtain more varied results.

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