

**NASSAU HEALTH CARE CORPORATION
EAST MEADOW, NEW YORK 11554**

**SECTION: MANAGEMENT OF THE ENVIRONMENT OF
CARE
POLICY/PROCEDURE**

<u>TITLE:</u> PURCHASE AND GENERAL STORES
<u>Approved:</u> Julie Mirkin, Sr VP patient care services; Steven Walerstein, MD, Sr VP medical affairs; Steven Suspenski, VP support services: James Engel, Assistant director, public safety; Leader environment of care team
<u>Cross References:</u> None

1.0 FUNCTIONAL RESPONSIBILITY

It is the responsibility of the Purchasing Department to process all hospital requisitions, delivery orders and purchase orders for Nassau University Medical Center, A. Holly Patterson Extended Care Facility, the Health Clinics, 1 and the medical needs for the Nassau County Correctional Facility and to maintain all appropriate documentation. The general storeroom will maintain an adequate inventory on all disposable items and will issue these to the various hospital departments.

2.0 PURCHASE REQUISITIONS

2.1 In accordance with the Laws of the State of New York The Director of Purchase or his designee shall make purchases and all contracts for supplies, materials, equipment and services in connection with the operation, renovation and maintenance of the Nassau University Medical Center. All requests for supplies, equipment, and contracts shall be submitted to the Finance Department for approval before being forwarded to the Purchasing Department to act upon. All requisitions must be submitted in a timely manner allowing sufficient time for processing. General Stores delivery orders can be forwarded directly to Purchasing.

2.2 No individual in the Medical Center shall place an order directly with any vendor unless the cost of the item is less than \$100.00, in which case the policy concerning petty cash will apply, or when an emergency condition exists, in which case the policy concerning emergency purchases will apply. Repetitive small purchases of the same item costing less than \$1000.00 must be avoided and

the continued placement of such orders shall be interpreted as a means of circumventing standard purchasing practices.

- 2.3 Department heads will follow established procedures in the preparation and submission of requisitions. All vouchers for payment will be checked for accuracy and completeness and submitted to the Accounts Payable Department for payment.

3.0 **EMERGENCY PURCHASES AND REPAIRS**

- 3.1 Emergency purchases and repairs can be made with the prior concurrence of the Director of Purchasing or his designee when an emergency exists and must be in accordance with the following definitions:

1. An emergency shall be deemed to exist when a breakdown in machinery of an essential service occurs or when unforeseen circumstances arise, including delays in transportation and unanticipated volume of work.
2. An emergency situation exists when patient health or patient related operational effectiveness is in jeopardy.

- 3.2 During the hours of 8:00 AM through 5:00 PM , Monday through Friday:

If you have an emergency supply, equipment or service request, please contact the Director of Purchasing at Ext. 2-6721 for assistance. You will be advised of the proper procedure to follow in emergency situations. You will be required to submit with your emergency request a brief memo describing the emergency situation and the cause for it.

- 3.3 At times other than specified in "3.2" above, all requests should be directed to the Administrator On-Call.

3.4 Confirming Order Policy:

All requests for the purchase of supplies, equipment and contractual services from Nassau Health Care Corporation funds must be identified and recorded by the Purchasing Department prior to issuance of an order to the selected vendor.

1. A confirming order is an order placed by a staff member of the Nassau Health Care Corporation prior to the order being encumbered. A confirming order may be used in an emergency situation, as defined in Section #3 above, only with the prior approval of the Director of Purchasing or his designee.
2. , The use of confirming orders, except for emergency purchases as described above, will not be allowed. Violations of this policy will result in the return of the unauthorized confirming order to the issuing

department. Potential formal disciplinary action plus other penalties may be taken against the individual placing the unauthorized order.

3.4 "E" Number Orders

The following is the policy for "E" number orders: Definition of "E" number orders -- Emergency purchases can be made on H-29 forms for orders for less than \$500 in total with one vendor. Use of "E" Number Orders:

1. A completed H-29 form must be brought to the Purchasing Department with a detailed explanation of the emergency outlined on the form (with additional attachments as required) to include:
 - a. If applicable, the patient's "A" number (at the hospital) or medical record number (at A. Holly Patterson), if the items needed are for a specific patient.
 - b. If the emergency is due to an out-of-stock situation, it must be fully explained to include:
 1. Open requisitions for the item must be listed
 2. The reason for the stock-out
 - c. Any other emergency meeting the criteria as outlined in the Emergency Order Policy in the Administrative Policy and Procedure Manual must be fully explained.
2. The Departmental Administrator or Chairman/Assistant Hospital Director must approve, via signature, the "E" number order.
3. All requests for "E" number orders must be approved by the Director of Purchasing, or his designee, prior to ordering.
4. Copies of all "E" number orders will be sent to the Accounts Payable Department.

4.0 **PETTY CASH PURCHASES**

Petty cash purchases can be made for those items that cost less than \$100.00 . Petty cash purchases are to be held to a minimum and should not be used to make repetitive small purchases of the same item. All requests for petty cash are to be directed to the Finance Department .

5.0 **GENERAL STORES SUPPLIES**

- 5.1 General stores supplies must be requisitioned on the appropriate forms provided and should be forwarded to the issue storeroom. Requisitions for supplies should be submitted to the issue storeroom.

- 5.2 When emergency supplies are needed immediately, departments are to call the Issue Storeroom from 7:30 a.m. to 4:00 p.m. All requests after 4 PM for emergency supplies are to be directed to the Security Department who will require an emergency stores requisition to be filled out before issuing supplies. On the following General Stores work day, Security is to notify the Director of Stores and Inventory to pick up the emergency stores requisitions.

6.0 RECEIVING OF EQUIPMENT AND SUPPLIES

- 6.1 All equipment and supplies are to be delivered to the Dynamic Care Building receiving area unless alternate arrangements have been made by the Purchasing supervisor or the general stores and inventory supervisor.
- 6.2 At no time are equipment or supplies to be accepted directly by a department unless an emergency for that item exists. When a department accepts an emergency shipment it is that department's responsibility to forward all packing slips or documents to the general stores and inventory supervisor on the next working day.
- 6.3 It is the general store's responsibility to maintain a record on the receipt of all supplies and equipment and the issuance of such items.

7.0 SURPLUS EQUIPMENT PROCEDURE

- 7.1 All departments shall advise the Purchasing Department of any equipment or supplies that they would like to declare surplus via a Property Report (Form H-295). Copies of this report are to be sent to the Property Accountant and Housekeeping Department to pick up and store surplus items. The condition of surplus items should be indicated as follows:
- (1) New
 - (2) Hospital surplus (available for hospital use)
 - (3) County surplus (available for other County agencies)
 - (4) Inoperative and unrepairable.
- 7.2 All items that have been declared surplus shall be either stored at the hospital until sold or disposed of.

8.0 BIDDING PROCEDURES

- 8.1 Price bids are required for all requisitions that are over the amount of \$5000.00 .

1. For all requisitions in the amount of \$1.00 to \$4999.00, it is the buyer's discretion to place the order with an appropriate vendor based on past history of price, service, and performance.
2. For all requisitions in the amount of \$5000.00 to \$9,999.00, three phone bids must be received by the Purchasing Department and will be awarded to the lowest responsible vendor.
3. For all requisitions that are in the amount of \$10,000.00 and up, or for any single commodity that equals \$10,000.00 and up during a fiscal year, the Purchasing Department must solicit formal sealed bids. This process is accomplished by first receiving a requisition from a department with complete specifications. Second, a formal request for bid is composed. This bid is sent to specific vendors and also are advertised in the legal notices of "Newsday." The bids require a minimum of seven days for responses. On the advertised day the bids are opened publicly. Bids must be awarded to the lowest responsible bidder who meets the specifications.
4. All Bidding Procedure follow the guidelines as outlined in New York State General Municipal Law, Finance Law, General Constructions Law, Labor Law, and any other applicable laws.

9.0 **EQUIPMENT PURCHASES FROM CURRENT OPERATING FUNDS**

- 9.1 Equipment purchases can be processed on the standard purchase requisition (H 429). All equipment requisitions must be signed by the department head and submitted to the Budget / Finance Office for approval and coding. . After approval, all requisitions will be sent to the Purchasing Department.
- 9.2 All Equipment purchases follow the same guidelines as outlined in Section 8.

10.0 **PURCHASING OF SUPPLIES**

- 10.1 Supplies are to be purchased from the current operating budget and not from the capital budget. Whenever appropriate, departments will receive a budget appropriation for supplies to cover their anticipated expenditures for the budgeting year. Similarly, supplies which are universally used throughout the hospital and distributed by the Department of Materials Management will be funded to this department. The preparation of purchase requisitions for supply purchases will conform to the same policy as equipment.
- 10.2 For all supplies that are between the amount of \$500.00 and \$9,999.00, the Purchasing Department must receive three quotes. For supplies over \$10,000.00, the Purchasing Department must institute a formal sealed bid. (see Section 8.)

11.0 **PRODUCT RECALL PROCEDURE**

As product recall notices are received, they are routed to the appropriate department for follow-up.

12.0 **VENDOR SALES REPRESENTATIVE CLEARANCE**

- 12.1 1. Representatives must obtain a pass from the Purchasing Department office upon entering the Medical Center. A Representative is defined as anyone in sales, service, management, or a member of any manufacturer, distributor, or service organization associated with the sale of goods or services.
2. At the time of registration, the Representative will sign a log book which includes their name, affiliation, time of their appointment, and person they are going to visit.
- 3 The Representative will be issued a pass for the specified appointment only. All badges must be filled out with all pertinent information.
- 4 . After the appointments are made, all Representatives must return the pass to the Purchasing Department and sign out.
- 12.2 Any questions or further explanations about these procedures are to be addressed to the Director of Purchasing.

13.0 SUPPLIES FOR EVALUATION

- 13.1 1. A drug, medical device, or supply item not currently used at Nassau University Medical Center, and its divisions, must not be brought into the Medical Center without prior approval of the Pharmacy and Therapeutics Committee, the Value Analysis Committee , and/or other appropriate committees and departments.
2. To obtain consideration of your product at the Pharmaceutical and Therapeutics Committee, and/or to leave pharmaceutical samples, you must report to the Director of the Department of Pharmacy.
3. To obtain consideration of your product at the Value Analysis Committee , and/or to learn how to leave samples of non-pharmaceutical items, you must report to the Director of Purchasing.

14.0 **Procedure For Requesting, Printing and Receiving A New Form**

- 14.1 When submitting a new Form to be part of the Patient Chart:

1. Design your form according to the standard measurement parameters as entered in the "Request for Form Approval" (attached) form available in the Storeroom.
2. No text of any kind should be within 3/8" on the Right and 1" on the Left of any margin on the paper.
3. All forms should be held to a maximum of 8-1/2" X 11" white paper unless a specific justification is provided for a special size and/or color.
4. Print a clean copy of your form and attach it to a filled out "Request for Form Approval" (form F0002 available from the Storeroom).
5. Submit the completed request with attached sample to the Director of Medical Records for submission and approval from the Medical Records Committee.
6. After approval by the Medical Records Committee, the request will be brought by the Director of Medical Records to the Forms Committee for approval. After approval by the Committee, the form will be assigned a form number starting with an "H". The User Department will be notified of the form approval, stocking location and "H" number by which to order the form.

14.2 When submitting a new Form NOT to be part of the Patient Chart:

1. Design your form according to the standard measurement parameters as entered in the "Request for Form Approval" (attached) form available in the Storeroom.
2. No text of any kind should be within 3/8" on the Right and 1" on the Left of any margin on the paper.
3. All forms should be held to a maximum of 8-1/2" X 11" white paper unless a specific justification is provided for a special size and/or color.
4. Print a clean copy of your form and attach it to a filled out "Request for Form Approval" (form F0002 available from the Storeroom).
5. The request and attached sample should be sent to the Director of Stores for submission and approval for the Forms Committee. After approval by the Committee, the form will be assigned a form number starting with an "F". The User Department will be notified of the form approval, stocking location and "F" number by which to order the form.

14.3 Where forms will be stocked:

- 14.4 1. Forms used by more than one department will be stored in the Storeroom and will be requisitioned through the normal requisition process.

2. When a form is approved, the Forms Committee will identify where the form is to be obtained.