

Purpose

The purpose of this procedure is to describe the process that Lawrence-Douglas County Health Department uses for accounts payable. This document provides background information and a detailed method to ensure an efficient and accurate accounts payable process.

Scope

The accounts payable process consists of all payments outside of payroll, i.e. all bills and invoices. This applies to all vendors and other third parties requesting payment for services or products. The intended audience is SS&C Solutions, Inc. and all employees involved in completing accounts payable procedures. This document includes procedures for the VISA credit cards from Commercial Land.

Responsibilities

Office Assistant – The Office Assistant is responsible for the creation of the purchase order (PO). They have knowledge of CYMA and what to include in the PO, including the correct expense account.

Financial Specialist – This role is responsible for matching all PO's with invoices, coding correctly, and scanning to SS & C.

SS & C Solutions, Inc. – Accounting firm that pays all invoices from the correct expense account. All the invoices get scanned and sent to SS & C.

Definitions

AP – Accounts Payable; money owed by the organization to its vendors

PO – Purchase Order; prepared by LDCHD to communicate and document the PO number, order date, company name, vendor name, vendor address, product ID, product description, quantity ordered, unit price, and total price.

Vendor invoice – supplier or vendor sends an invoice to LDCHD that had ordered the products or services

CYMA – financial management solutions used during accounts payable process

AP Procedure Review Cycle – 12 months
Origin Date 07/19
Revision Date(s)
Review Date(s)

Reviewed By:

Page 1
Print Date
07/26/2019

FINANCIAL PROCEDURES

Accounts Payable Process

Statement – amounts that remain unpaid by LDCHD from the vendor; pay only from invoices not from vendor statements

Control account – credit card account that contains summary accounts (includes transactions on all different accounts).

Mileage/Tolls/Parking/Meals Reimbursement Request Form – form employees fill out to get reimbursed for work-related traveling and meals.

Expense Reimbursement Form – employee work-related trips that require overnight stays and meals.

Procedure – Accounts Payable

1. Place invoice/PO in correct yellow folder
 - 1.1. Invoice must be addressed to Lawrence – Douglas County Health Department
 - 1.2. Sometimes the invoices and PO's do not come in at the same time. The vendor must send an invoice so the PO and invoice will not be matched up right away. Each document has a correct file folder, i.e. invoices, PO's, mileage, Hy-Vee, and Kroger-Dillon's.
 - 1.3. Folders are used to organize "Invoices", "PO's", and "Ready to Pay" and keep track of what has come in.
 - 1.4. Invoices that do not require to be matched up with a PO include: Kerr Consulting, Metro Courier, Laser Logic, Quest Diagnostics, Party America, KHSA, Steven's and Brand, LLP, Expense Reimbursement form, Johnson Controls, Propio, Stampede Lineage, Stericycle, K-State, SS & C, Inc., Mileage/Toll/Parking/Meals Reimbursement Form, NCM, Midco, and United Way of Douglas County.
2. Match invoice with PO if we have received both – clip together
 - 2.1. Invoice and PO should have the same price.
 - 2.2. The description on the PO should be like what was bought and shown on the invoice.
 - 2.3. Sometimes the PO number is on the invoice, making it easier to match up.
3. Place PO/invoice in the "Ready to Pay" folder
 - 3.1. Once the invoice is in this folder, it can be paid by SS & C and put into CYMA. We have every supporting documentation that we need.
 - 3.2. Remember: If invoice does not require a PO, place in "Ready to Pay folder"
4. Code using "Chart of Accounts" sheet on invoice
 - 4.1. Remember to include grant if need-be.
 - 4.2. A good tip is to reference Cyma for previous coding used.
 - 4.3. Allocate across difference accounts or grants if need-be.
5. Add a new Vendor if there is not one already created.

AP Procedure Review Cycle – 12 months

Origin Date 07/19

Revision Date(s)

Review Date(s)

Reviewed By:

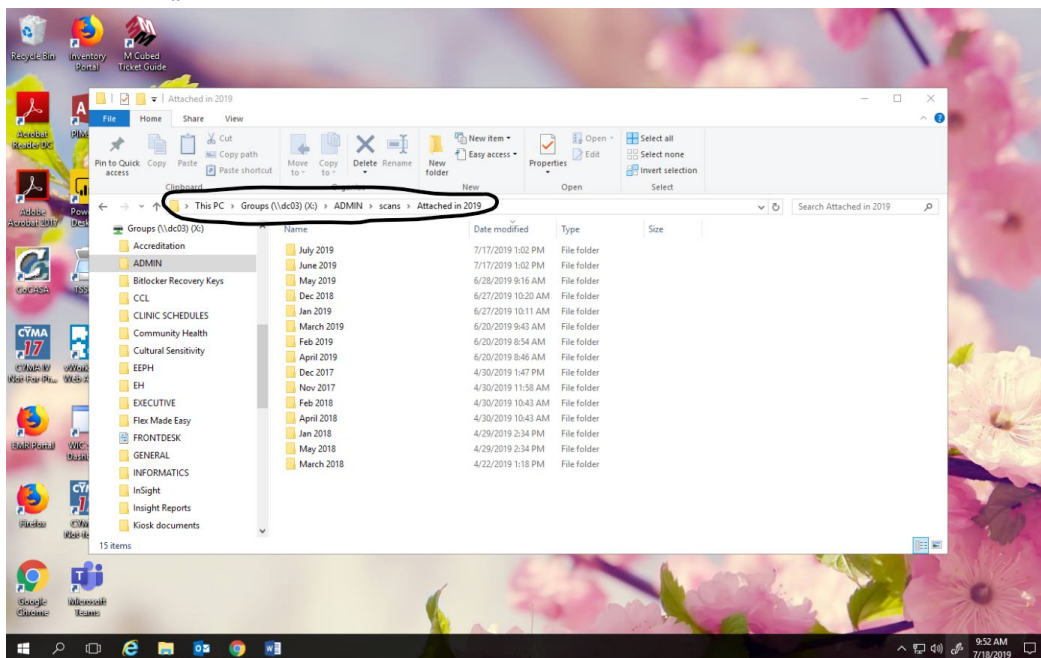
Page 2

Print Date

07/26/2019

5.1. *Maintain*→*Vendors*...→*New*

6. Scan all coded A/P invoices and send in 1-single PDF to *SS&C*
 - 6.1. Gather the coded invoices and scan into one document. SS & C does not want invoices sent multiple times per check run so make sure they are all in by the 16th or the 31st at 12:00 PM.
 - 6.2. Save in *Groups (X::)>ADMIN>scans>SS&C>AP 01.01.2099*



AP Procedure Review Cycle – 12 months

Origin Date 07/19

Revision Date(s)

Review Date(s)

Reviewed By:

Page 3

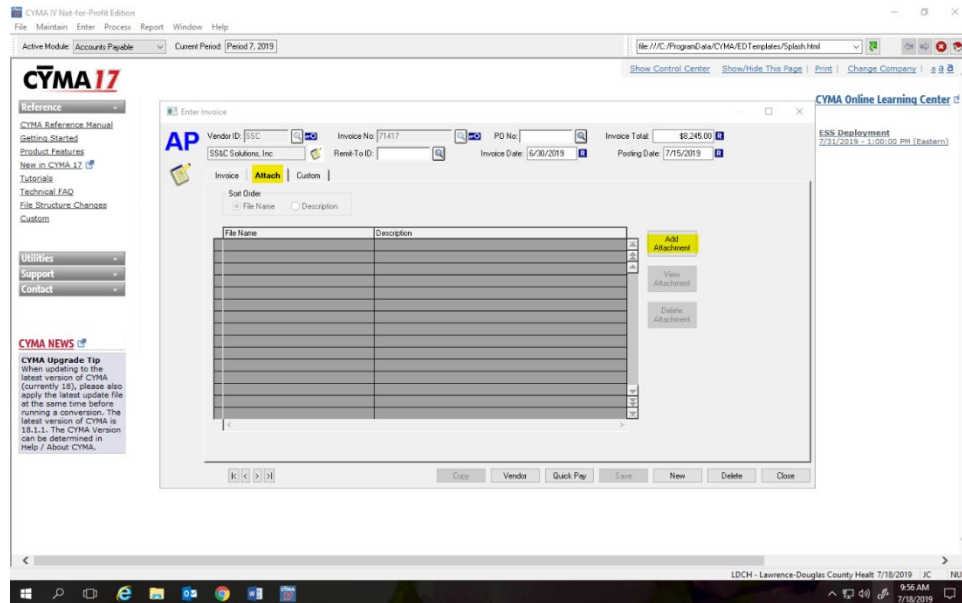
Print Date

07/26/2019

FINANCIAL PROCEDURES

Accounts Payable Process

7. Once, *SS&C* has paid all invoices, attach documents to *Cyma*
 - 7.1. Save in (X:.)>*ADMIN>scans>Attached in 2019>correct month*→Module: *Accounts Payable*→*Enter – Invoice*→Search Vendor (upper left)→Choose correct invoice→Click *Attach*→*Edit*→*Add attachment*→Choose correct documentation



8. Add control account from credit cards in A/P and send to *SS&C*
 - 8.1. The control account is used to pay off the credit card and must be paid.

Procedure – Credit Cards

1. Put invoices/POs in correct CC folder
 - 1.1. Invoice is typically labeled with employee credit card name
 - 1.2. There are 4 different employee credit cards and need to be separated by account.
2. Make sure all invoices have a PO if they need one
 - 2.1. Clip together and keep in correct CC folder
 - 2.2. They cannot be combined and paid if all necessary documents are attached.
3. Make sure we have all invoices on Commercial Land transaction history sheet
 - 3.1. Ask for transaction history sheet from Finance Director or whoever has access.
 - 3.2. The invoice should exactly match amount on transaction history.
 - 3.2.1. The transaction history shows how much was taken out of account to the penny.
4. Use transaction history sheet to put transactions into CYMA.
 - 4.1. *Accounts Payable*→*Enter*→*Invoices*→Select vendor→Fill in date boxes

AP Procedure Review Cycle – 12 months

Origin Date 07/19

Revision Date(s)

Review Date(s)

Reviewed By:

Page 4

Print Date

07/26/2019

- 4.1.1. Invoice date=trans date, posting date=postdate, pay date=post date
- 4.2. All transactions must be in CYMA in order to select them to pay.

5. Change AP Acct to VISA Balance.
- 5.1. We need to make sure that we are paying the correct account, so this step is very important.

AP Procedure Review Cycle – 12 months

Reviewed By:

Origin Date 07/19

Revision Date(s)

Review Date(s)

Page 5

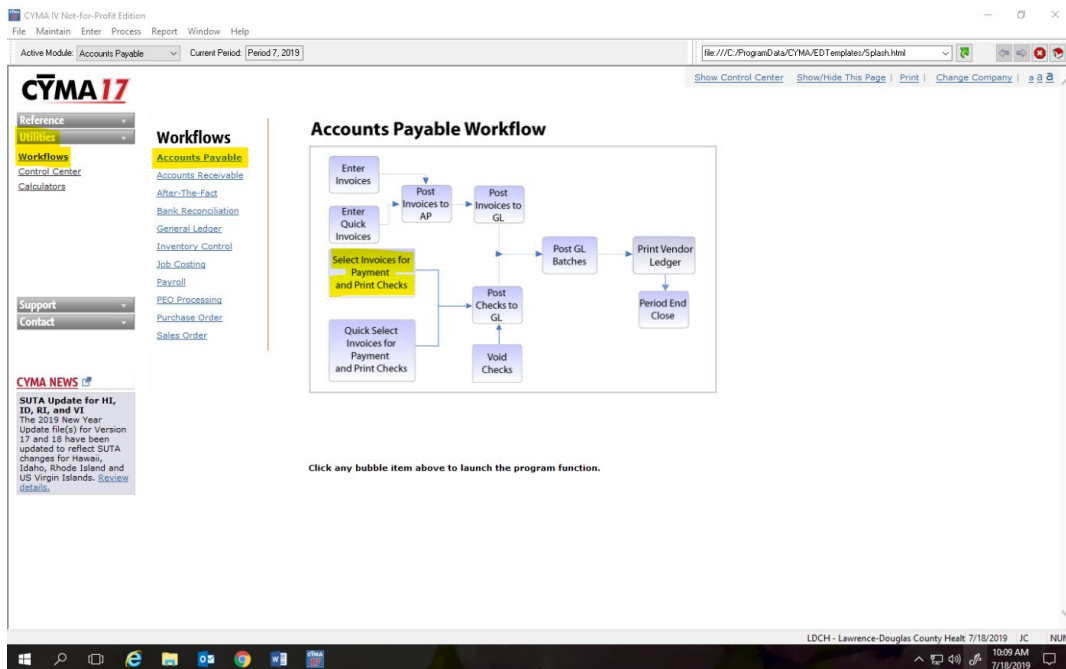
Print Date

07/26/2019

FINANCIAL PROCEDURES

Accounts Payable Process

6. Confirm that populated code (expense acct) is correct.
 - 6.1. Use Chart of Account to change if need-be
7. Write code on invoice
 - 7.1. The code must be on the invoice for future audits and should match what is in CYMA.
8. Receive CC statement from the bank
 - 8.1. There will be a separate state for each different employee credit card and a control account that includes all transaction.
9. Combine and pay all credit cards
 - 9.1. *Utilities*→*Workflows*→*Accounts Payable*→*Select Invoices for Payment and Print Checks*→*Find Now*→Select each invoice from the CC statement (click little box all the way to the left)→Total is the same as the statement total→*Print Checks*→Change bank ID to designated employee CC→*Post – Paid*



AP Procedure Review Cycle – 12 months

Origin Date 07/19

Revision Date(s)

Review Date(s)

Reviewed By:

Page 6

Print Date

07/26/2019

Select Invoices for Payment

AP Invoice Criteria | Selected Invoices

Enter The Invoice Criteria: ☒ Don't Show Zero Balance Vendors ☒ Add To Existing Selections

Field	Relation	Value 1	Value 2
Invoice Number	All		
Vendor ID	All		
Terms Code	All		
Discount Date	All		
Due Date	All		
Pay Date	All		
Invoice Date	All		
Vendor Type	All		
Held Invoices	Equal To	No	
Purchase Order	All		
AP Acct - ACCOUNT	All		
AP Acct - FUND	All		
AP Acct - DEPARTMENT	All		
AP Acct - PROGRAM	All		
AP Acct - SUBPROGRAM	All		
Created By	All		
Job	All		
Trans Class1	All		
Trans Class2	All		

Find Now View Document Select All Deselect All Print Proof Print Checks Close

Select Invoices for Payment

AP

Invoice Criteria

Selected Invoices

Display

☒ Show All Invoices Meeting Criteria
 ☐ Show Invoices Selected For Payment

Sort Vendor Invoices By

☒ Invoice Number
 ☐ Due Date
 ☐ Due Date (Desc)
 ☐ Invoice Balance
 ☐ Invoice Date
 ☐ Invoice Date (Desc)

Pay By Line Item

Vendor ID	Vendor Name	Invoice Number	Invoice Date	Due Date	Discount Date	Discount Allowed	Invoice Balance	Discount To Take	Amount To Pay	Purchase Order	Terms Code	AP Account	Held	Created By
AMAZON	Amazon	STANDINGDESKPRO	7/3/2019	7/3/2019		\$0.00	\$395.00	\$0.00	\$395.00	10270	VISA	2010-01-10-00-000	No	JC
WELLMOUNT	Wellmount	7/9/2019	7/9/2019			\$0.00	\$109.29	\$0.00	\$109.29	10260	VISA	2010-01-10-00-000	No	JC
BENEDI	Benefits Direct	BENEDPRE10425201	4/25/2018	5/25/2018		\$0.00	\$591.25	\$0.00	\$0.00		NET 30	2005-01-10-00-000	No	DH
BENEDI	Benefits Direct	BENEDPRE106072018	6/7/2018	7/7/2018		\$0.00	\$301.22	\$0.00	\$0.00		NET 30	2005-01-10-00-000	No	DH
BENEDI	Benefits Direct	BENEDTAX04212017	4/21/2017	5/21/2017		\$0.00	\$338.95	\$0.00	\$0.00		NET 30	2005-01-10-00-000	No	MK
BENEDI	Benefits Direct	BENEDTAX04252018	4/25/2018	5/25/2018		\$0.00	\$3,285.84	\$0.00	\$0.00		NET 30	2005-01-10-00-000	No	DH
BENEDI	Benefits Direct	BENEDTAX05072018	5/7/2018	6/6/2018		\$0.00	(\$30.09)	\$0.00	\$0.00		NET 30	2005-01-10-00-000	No	DH
BENEDI	Benefits Direct	BENEDTAX06072018	6/7/2018	7/7/2018		\$0.00	\$624.87	\$0.00	\$0.00		NET 30	2005-01-10-00-000	No	DH
BENEDI	Benefits Direct	FLE04212017	4/21/2017	5/21/2017		\$0.00	\$295.50	\$0.00	\$0.00		NET 30	2005-01-10-00-000	No	MK
COAST	Coast to Coast	175245	7/15/2017	8/14/2017		\$0.00	\$44.31	\$0.00	\$0.00	9189	NET 30	2005-01-10-00-000	No	MK
CONEYI	Coney Island Hot Dogs	000013	12/17/2018	12/17/2018		\$0.00	\$262.85	\$0.00	\$0.00	10003	VISA	2005-01-10-00-000	No	MH
DGCOAD	Douglas County Administration	HEALTHPRE04212017	4/21/2017	5/21/2017		\$0.00	\$3,350.34	\$0.00	\$0.00		NET 30	2005-01-10-00-000	No	MK
DGCOAD	Douglas County Administration	HEALTHPRE10082017	10/8/2017	11/7/2017		\$0.00	\$294.24	\$0.00	\$0.00		NET 30	2005-01-10-00-000	No	DH
FACEBK	Facebook Internet Advertising	EQM-CLEG22	7/7/2019	7/7/2019		\$0.00	\$40.00	\$0.00	\$0.00	10229	VISA	2010-01-10-00-000	No	JC
FISHHE	Fisher Health Care	3242201	7/9/2019	8/8/2019		\$0.00	\$423.35	\$0.00	\$0.00	10251	NET 30	2010-01-10-00-000	No	JC
FLEDMO	Flex Made Easy	FLEDMO12222018	12/22/2018	1/21/2019		\$0.00	\$967.52	\$0.00	\$0.00		NET 30	2154-01-10-00-000	No	DH
FULCRM	Fulcrum Internet App	JULYSUBSCRIPTION	7/9/2019	7/9/2019		\$0.00	\$76.00	\$0.00	\$0.00		VISA	2010-01-10-00-000	No	JC
INDEED	Indeed, Inc.	24192818	7/3/2019	7/3/2019		\$0.00	\$403.13	\$0.00	\$0.00		DUR	2010-01-10-00-000	No	JC
KANSEM	Kansas Employment Security Fun	SUTA05072018	5/7/2018	6/6/2018		\$0.00	\$99.52	\$0.00	\$0.00		NET 30	2005-01-10-00-000	No	DH
KANSEM	Kansas Employment Security Fun	SUTA05222018	5/22/2018	6/21/2018		\$0.00	\$94.19	\$0.00	\$0.00		NET 30	2005-01-10-00-000	No	DH
KANSEM	Kansas Employment Security Fun	SUTA06072018	6/7/2018	7/7/2018		\$0.00	\$96.54	\$0.00	\$0.00		NET 30	2005-01-10-00-000	No	DH
KANSEM	Kansas Employment Security Fun	SUTA07062018	7/6/2018	8/5/2018		\$0.00	\$90.57	\$0.00	\$0.00		NET 30	2005-01-10-00-000	No	MH
KANSEM	Kansas Employment Security Fun	SUTA07232018	7/23/2018	8/22/2018		\$0.00	\$93.73	\$0.00	\$0.00		NET 30	2005-01-10-00-000	No	MH
KANSWA	Kansas Withholding Tax	04.08.18	4/6/2018	5/6/2018		\$0.00	\$179.00	\$0.00	\$0.00		NET 30	2005-01-10-00-000	No	DH
KPERS	KPERS	08.2018FEE	8/14/2018	8/14/2018		\$0.00	\$12.40	\$0.00	\$0.00		2150-01-10-00-000	No	DH	
KPERS	KPERS	KPERSOGLU0222018	5/22/2018	6/21/2018		\$0.00	\$80.01	\$0.00	\$0.00		NET 30	2005-01-10-00-000	No	DH
KPERS	KPERS	ROTHDED0612019	5/22/2019	6/21/2019		\$0.00	\$160.00	\$0.00	\$0.00		NET 30	2005-01-10-00-000	No	M
KPERS	KPERS	TRERT0622018	6/22/2018	7/22/2018		\$0.00	\$1,462.05	\$0.00	\$0.00		NET 30	2005-01-10-00-000	No	DH
MARSUS	Mars Consumer	PCNEWAL2018	4/15/2018	5/16/2018		\$0.00	\$7,543.00	\$0.00	\$0.00		NET 30	2005-01-10-00-000	No	MH
MISCHD	Misc. Hotel	14001222	8/19/2018	8/19/2018		\$0.00	\$642.75	\$0.00	\$0.00		DUR	2010-01-10-00-000	No	DH
							\$31,047.76	\$0.00	\$504.25					

Vendor Name: Amazon

Vendor Total: \$504.25

Invoice Desc: ECHOGEAR full motion TV wall mount

Find Now

View Document

Select All

Deselect All

Print Proof

Print Checks

Close

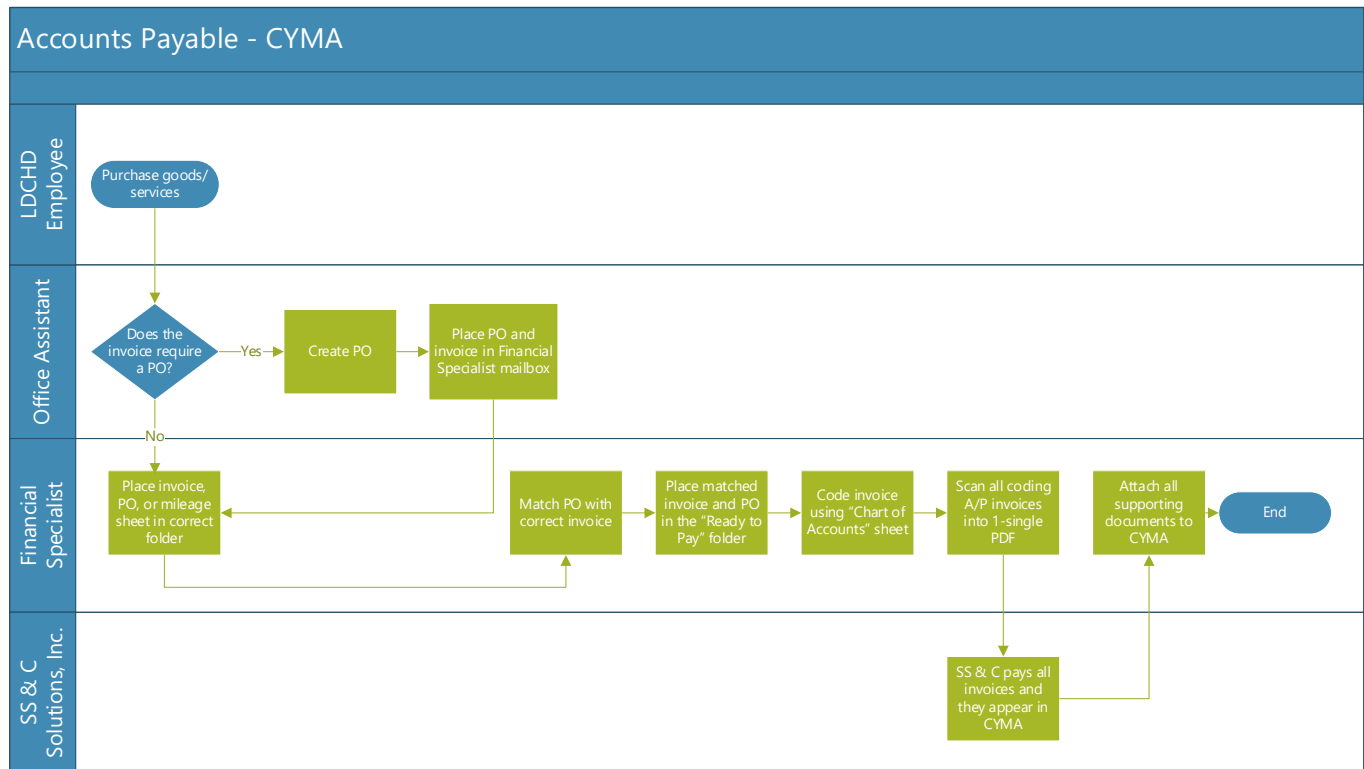
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AP Procedure Review Cycle – 12 months
Origin Date 07/19
Revision Date(s)
Review Date(s)

Reviewed By:

Page 7
Print Date
07/26/2019

Flowchart



AP Procedure Review Cycle – 12 months

Origin Date 07/19

Revision Date(s)

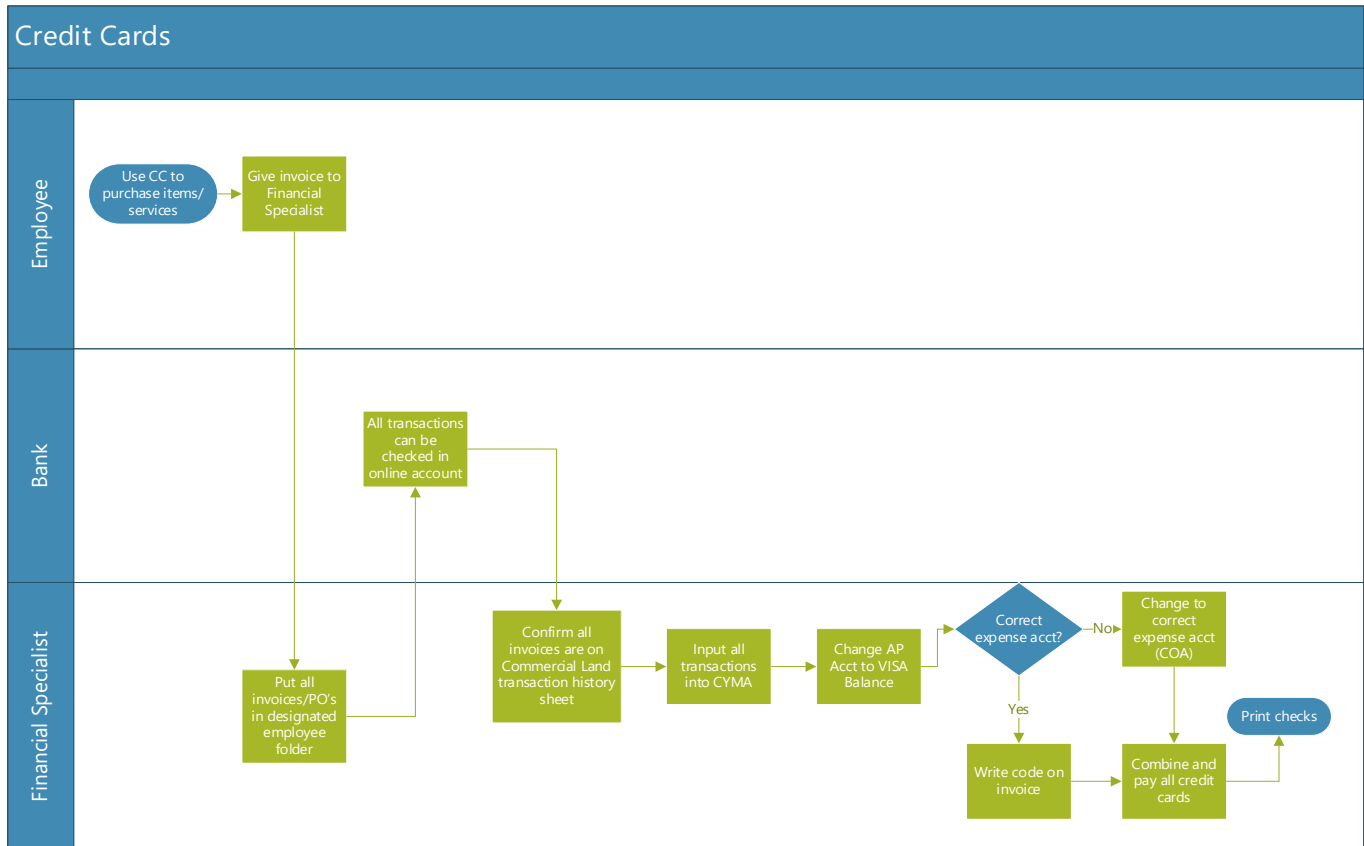
Review Date(s)

Reviewed By:

Page 8

Print Date

07/26/2019



AP Procedure Review Cycle – 12 months

Origin Date 07/19

Revision Date(s)

Review Date(s)

Reviewed By:

Page 9

Print Date

07/26/2019

Chart of Accounts

GL Code				
Code	Account	Code2	Account2	Description
1000	Current Assets	6010	Gross Salaries & Wages	
1001	Cash	6200	Payroll Taxes (SS & MC)	
1002	Restricted Assets	6201	Insurance - Health	
1003	Grants	6202	KPERs	
1010	Cash - Unrestricted Op CENTRAL	6203	Insurance - Unemployment	
1011	Petty cash / change fund	6204	Insurance - Work Comp	
1015	Cash - Unrestricted Op BankMW	6205	Insurance - Prof. Liability	
1020	BankMW Board Designated Fund Balance	6222	Capital Purchases	investments
1021	BankMW K Kent Public Health Serv Award	6300	Contractual Service Expenditure	training payment, contract services - Hasse & Long
1022	BankMW Funded Depreciation	6301	Phone & Communications	cable, phone, internet - Constant Contact, MIDCO
1200	Accounts receivable	6302	Employment Ads	Indeed
1210	Allowance for Doubtful Accounts	6310	Interpreters	language services - Propio
1400	Prepaid Insurance	6311	Postage & Delivery	mailing service, postage applied - Lineage, MetroCourier
1450	CNB Certificate of Deposit	6312	Publications & Subscriptions	books, manuals - NCM, Amazon, Fulcrum, Watermark Books
1455	FIRST STATE BANK CD	6313	Repair & Maintenance	
1600	Fixed Assets	6314	Service & Licensing Contracts	annual fees - Civic Plus, Kerr Consulting, Laser Logic, PCAA, CYMA
1610	Furniture, Fixtures, & Equip.	6315	Medical Fees	haz waste disposal - Stericycle
1611	Less - Accumulated Depreciation	6316	IT Consultation Fees	monthly charges - M-Cubed
2005	Accounts payable	6317	Legal Fees	legal services - Stevens & Brand, LLP
2010	VISA Balance	6318	Physician Fees	Thomas R. Marcellino, MD
2100	Payroll Liabilities	6319	Dues	membership dues, site visits - Baldwin City Chamber of Commerce, PCAA
2101	Accrued Payroll	6321	Business Administration Fees	
2110	Direct Deposit Liabilities	6322	Health Education / Promotion Advertising	radios ads, internet ads, donations - Great Plains, FB, Moonblind, Journal World
2120	Payroll Taxes Payable	6323	HR Consultant	
2130	Accrued Vacation Payable	6330	Bank & Credit Card Fees	
2135	Workers Comp Accrued	6341	Commercial Travel	airlines, trains - Southwest, Delta
2140	Federal	6342	Meals	conference meals, meetings with lunch included, orientation - Jason's Deli, JJ
2141	State	6343	Lodging	hotels - Misc hotels,
2142	Local/Private	6344	Registration	conferences, training - Governor's Conference, Great Kids
2150	KPERs Withholding	6350	Copying & Printing	printing of reports, books, flyers, logo window env - Minuteman, Flory Design
2151	457b Retirement	6360	Insurance - Non-Payroll Related	
2152	Supplemental Ins	6370	Laboratory	LMH
2153	Health Insurance	6380	Mileage / Tolls / Parking	K-tag, mileage reimbursement, Uber, taxi - employee
2154	Flexible Spending	6410	Medical Supplies	test kit, t spot TB
3010	Operating Fund Balance	6420	Pharmaceuticals	birth control, vaccines, medications, test vials - McKesson, Hologic, KDHE TB
3200	Unrestricted Net Assets	6430	Office Supplies	disinfecting wipes, tablet holder, labels, giftcards - Staples, CDW, Office Depot
3500	Contributed Capital	6440	Other Supplies	PDI sani-cloth, bus passes, napkins, bus passes, background checks - DCF, Merc
3900	Retained Earnings	6500	Other Exp/Equipment	electronics, doors, printer, baby changing stations
5010	City Operating	6600	Depreciation	
5020	County Operating	6700	Bad Debts	
5110	Contract Services	6800	Loss on Disposal of Equipment	
5120	Program Fees	6900	Transfer to Funded Depreciation	
5171	Federal Grant	6910	Trans to K Kent Public Health	
5172	State Grant	6920	Transfer to Bd Designated Fund	
5173	Local/Private Grant	6930	Transfer to Operating - BankMW	
5190	Interest			
5701	Other Revenue			

AP Procedure Review Cycle – 12 months

Origin Date 07/19

Revision Date(s)

Review Date(s)

Reviewed By:

Page 10

Print Date

07/26/2019

**BOARD DESIGNATED RESERVE FUND
POLICY****Purpose**

The purpose of the Board Designated Reserve Fund is to provide financial stability to the organization and allow the department and Board the freedom to manage financial volatility. Including events such as disease outbreaks, reductions in grant funding, delays in receiving revenue and to pay sick and/or vacation accrual liabilities when an employee retires.

Policy

The Lawrence-Douglas County Public Health Department's Board Designated Reserve Fund is a restricted cash reserve fund that requires Health Board approval prior to any expenditure other than those related to a qualified employee's retirement. The amount to be held in this reserve should reflect six months of operating expenses.

Board Designated
Reserve Fund
Policy
Origin Date 11/15
Revision Date(s) 7/21
Review Date(s)

Reviewed By : Director

Page 1
Print Date
5/2/2022

PURPOSE

An actual or potential conflict of interest occurs when an employee is in a position to influence a decision that may result in personal gain or gain for a relative as a result of the Health Department's business dealings. Therefore, Health Department employees must abstain from participation in any selection process, contract negotiation or decision to purchase goods or services where they, or their family members or business associates, have any substantial financial interest in the award or selection of contract.

Health Department business operations must not only fulfill all legal requirements but also maintain the public trust and reflect good stewardship of public funds.

PROCEDURE

Members of the Health Department's Leadership Team will be required to annually, beginning July 1, 2018, complete and sign a Disclosure Statement that lists their affiliations with other entities that might potentially affect their independent decision-making. In carrying out their responsibilities for the Health Department, employees will report potential financial conflict of interest to the Health Department Director and abstain from participating in decisions for that event.

Conflict of Interest
Policy 6-14-18
Origin Date
Revision Date(s)
Review Date(s)

Review Cycle – 12 months

6/18

Reviewed By: Asst. Director

Page 1

Print Date

5/2/2022

Conflict of Interest Policy

Disclosure Statement

Please initial in the space at the end of Item A or complete Item B, whichever is appropriate; complete the balance of the form; sign and date the statement; and return it to the Assistant Director.

A. I am not aware of any relationship or interest or situation involving my family or myself that might result in, or give the appearance of being, a conflict of interest between such family member or me on one hand and the Lawrence-Douglas County Health Department on the other. Initials: _____

B. The following are relationships, interests, or situations involving me or a member of my family that I consider might result in or appear to be an actual, apparent, or potential conflict of interest between such family members or myself on one hand and the Lawrence-Douglas County Health Department on the other. Initials: _____

Corporate (either nonprofit or for-profit) directorships, positions, and employment:

Memberships in the following organizations:

Contracts, business activities, and investments with or in the following organizations:

Other relationships and activities:

I have read and understand Lawrence-Douglas County Health Department's Conflict of Interest Policy and agree to be bound by it. I will promptly inform the Health Department Director of any material change that develops in the information contained in the foregoing statement.

Print Name

Signature

Date

Conflict of Interest
Policy 6-14-18

Origin Date

Revision Date(s)

Review Date(s)

Review Cycle – 12 months

6/18

Reviewed By: Asst. Director

Page 2

Print Date

5/2/2022

FINANCIAL POLICIES**Contract Specific Language**

All contracts entered into by the Health Department are subject to the State of Kansas cash basis and budget laws. Any obligation incurred as a result of the issuance of the specifications binds the Health Department only to the extent that cash is available at the time payment is required.

Furthermore, any contract that extends beyond the Health Department's current fiscal year does not create an indebtedness or obligation for the subsequent fiscal year, and the Health Department reserves the right to cancel any contract until the first date of the subsequent fiscal year.

Contracts entered into that extend beyond the Health Department's current fiscal year should contain the following language:

This contract is subject to the State of Kansas cash basis and budget laws. Contract is contingent upon funds being available. This contract is cancelable if funds are not available.

Contract Specific Language	Review Cycle – 12 months
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Origin Date	12/06
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Revision Date(s)	3/10
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Review Date(s)	8/10, 9/11
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Reviewed By : DAS

Page 1

Print Date

5/2/2022

Controls Over Purchasing Policy

Purpose

This policy exists to outline the authority to make purchases on behalf of the Health Department and the processes that are used for making those purchases.

Acquisition via Purchase Order

Buyers: Buyers are the initiator of purchase orders and can initiate a purchase order for any dollar amount. Purchase orders must be coded to the appropriate general ledger account, grant or other dimension in the accounting system. Purchase orders are then routed to the Approver and the approval is made in the system indicating that the item can be purchased.

Approvers: Purchase orders are routed to the appropriate approver in the accounting system. When the Approver considers approval, the individual will review the coding and consider if the item was budgeted for the normal course of business in the BOD approved annual budget. Items not budgeted for must be approved by the Executive Director (ED) and if over \$20,000 the BOD prior to acquisition. Once approved, the appropriate internal buyer will initiate the acquisition via phone, web or going to the location in person, ordering in the most efficient, cost effective manner.

In accordance the Controls Surrounding Cash Disbursement, invoices will be matched to the POs prior to the invoice being submitted for payment. If the purchase order request is fulfilled via credit card, the Financial Specialist will match the credit card charge to the approved purchase order.

A list of all expenditures will be provided to the ED for review at the end of the month.

	Clinic		Community Health		Health Informatics		Administration	
<u>Buyers</u>		Clinic Inventory Buyer	Colleen Hill	Executive Assistant	Colleen Hill	Executive Assistant	Colleen Hill	Executive Assistant
		Pharmaceutical Buyer					Linda Craig	Director of Clinic Services
							Beth Llewellyn	Director of Community Health
							Sonia Jordan	Director of Informatics
<u>Approvers</u>	Linda Craig	Director of Clinic Services	Beth Llewellyn	Director of Community Health	Sonia Jordan	Director of Informatics	Dan Partridge	Executive Director
<u>Authorization Limits</u>	\$5,000 and Within Budget		\$2,500 and Within Budget		\$2,500 and Within Budget		\$20,000 and Within Budget	
<u>Action Taken When Outside Authority</u>	Executive Director Approves		Executive Director Approves		Executive Director Approves		Executive Director Approves	

Title: **Controls Over Purchasing Policy**

Approved By: LDCHD Board of Health

Origin Date: 1/2020

Revision Date(s):

Review Date(s):

Approval Date: 1/27/2020

Reviewer: ADMIN Team

Review Cycle: 36 Months

Page 1

7/31/2020

Controls Over Purchasing Policy

Acquisition via Credit Card or Petty Cash (Without Purchase Order)

Management acknowledges that it may be more expedient in certain situations to not issue a purchase order in advance but allow approved individuals to make acquisitions via credit card or use of petty cash and have those expenditures and their coding approved after the fact. The following positions have been issued credit cards or have access to petty cash and are approved to make acquisitions not to exceed the authority granted below. All credit card receipts or petty cash disbursements will be coded to the appropriate general ledger account and provided to Approver to review and sign off.

Use of petty cash should be limited and not exceed \$50 per purchase.

This Purchasing Policy does not supersede the financial policy regarding the use of Purchasing Cards Usage but does govern the authorized card limits.

Authorized Card Holder (by Position)	Approver of Charges	Credit Card Limit (Per purchase / Total Credit)
Clinic Manager	Director of Clinic Services	\$200 / \$500
Director of Clinic Services	Executive Director	\$5,000 / \$10,000
Director of Community Health	Executive Director	\$2,500 / \$10,000
Executive Assistant	Executive Director	\$2,500 / \$10,000
Executive Director	Director of Clinic Services Over \$20,000 – Board of Directors	\$20,000 / \$50,000

Title: **Controls Over Purchasing Policy**

Approved By: LDCHD Board of Health

Origin Date: 1/2020

Revision Date(s):

Review Date(s):

Approval Date: 1/27/2020

Reviewer: ADMIN Team

Review Cycle: 36 Months

Page 2

7/31/2020

Surplus, obsolete, and/or non-functional property, equipment, or materials may be transferred, sold, offered as a trade-in or destroyed. Any property disposed of will be stripped of all identification as LDCHD property. Depending on the nature of the item, the Health Department Director may choose one of the following methods of disposal:

1. Donation

Such property may be donated to other governmental agencies, not-for-profit organizations or other entities if the Health Department Director determines that such donation will provide a benefit to residents of Douglas County. A listing of donated items (including serial numbers and asset tag if applicable), along with their value and the agency's name, must be provided to the DAS for inclusion in the annual financial statement and removal from inventory. Publication is not required for donations. A donation acknowledgement form must be signed by the receiver of the donation and returned to the DAS.

2. Destruction

Authorization for destruction of item(s) no longer required or no longer functional and having little value must be made by the Health Department Director. A listing of destroyed items (including serial numbers and asset tag if applicable), along with their value, must be provided to the DAS for inclusion in the annual financial statement and removal from inventory. The DAS is responsible for choosing the most appropriate destruction process for the items.

3. Trade-In

The Health Department Director may approve trade-in of item(s) no longer required by the LDCHD. A listing of items traded in (including serial numbers and asset tag if applicable), along with their value and the name and address of the vendor must be provided to the DAS for inclusion in the annual financial statement and removal from inventory.

4. Sale

The Health Board must approve the sale of personal property that is not fully depreciated and the method of sale.

Terms and Conditions of Donation, Trade-In or Sale

No warranty or guarantee of any kind is given by the LDCHD. All items are offered for sale or donation “as is,” “where at,” and “without recourse.”

The successful bidder or purchaser shall be required at their own risk and expense to remove any items awarded within five (5) business days after notification of acceptance of bid or purchase offer by the LCDHD, but not before payment of the purchase price. Receipt of each unit must be signed by the purchaser or its duly authorized agent at the time the item is removed. Any item not called for or left behind for a period of more than five (5) business days after the date of bid acceptance shall be considered as abandoned and the LDCHD has the right to dispose of same in any manner whatsoever. Exceptions may be approved by the Health Department Director.

Disposal of Property	Review Cycle – 12 months	Reviewed By : DAS	
Origin Date	12/06		Page 2
Revision Date(s)	3/10, 9/11		Print Date
Review Date(s)	8/10, 9/11		5/2/2022

Exception List for Purchase Orders

The following items do not require a Purchase Order (PO) unless the vendor requires one be issued:

1. Employment Ads
2. Insurance
3. Lawrence Memorial Hospital lab services and chest x-rays
4. Biohazard vendor services
5. Membership dues
6. Staff Recognition expenses
7. Basic service contracts (agreed upon amount and service occurs over time, i.e. copy machine, postage machine rental, telephone contract). If purchasing agent calls to initiate service/maintenance, i.e. scale calibration, special telephone coding, then a purchase order is required.
8. Nursing license verification
9. Professional service agreements

KAY KENT PUBLIC HEALTH SERVICE AWARD FUND POLICY

The Lawrence-Douglas County Health Department's Kay Kent Public Health Service Award Fund is an account used to recognize extraordinary performance and reward excellence in public health service. An annual \$500 after taxes honorarium is presented to the recipient. Other expenditures are at the discretion of the Director or Health Board.

Additional funds for this account are obtained annually from any unused contributions from an employee's flexible spending/section 125 account. According to IRS regulations, these unused contributions are subject to the annual "use-or-lose" rule and are forfeited to the employer.

Kay Kent Public
Health Service
Award Fund
Policy

Origin Date

Revision Date(s) 1/12/12

Review Date(s)

Reviewed By : DAS

Page 1

Print Date

5/2/2022

Process for Ordering Supplies and Services

Supplies and Services Ordered Regularly

Supplies/services purchased on a regular basis and included in the agency approved budget (clinic supplies, pharmaceuticals, general office supplies, clinic office supplies, computer software upgrades, environmental health supplies) are listed on standing requisitions and requested and approved by the Program Director/Program Coordinator/Team Leader as outlined in [Standing Requisitions](#).

Other Supplies and Services

Supplies/services not regularly ordered (audio visuals, reference materials, new items to be added to supply lists, capital equipment, new computer software) are requested using an electronic purchase requisition.

Process for Ordering Supplies and Services	Review Cycle – 12 months	Reviewed By : DAS
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Origin Date	12/06
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Revision Date(s)	3/10, 9/11
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Review Date(s)	8/10, 9/11
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Page 1

Print Date

5/2/2022

FINANCIAL POLICIES

Policy Scope

The policy of the Lawrence-Douglas County Public Health Department (LDCPH) is to provide fair and equitable treatment of all persons involved in procurement of goods and services for the Agency, to maximize the purchasing value of public funds in procurement, and to provide safeguards for maintaining a procurement system of quality and integrity. This policy and procedures are designed to ensure that all LDCPH funds are expended in accordance with sound business practices, recorded in compliance with acceptable accounting procedures, and meet the requirements of federal and state agencies that may assist in the financing activities of the LDCPH.

Supplies/services, major equipment and facility expenses not part of routine operation expenditures (consulting services, audio visuals, reference materials, new items to be added to supply lists, capital equipment, new computer software) must follow requirements for Requests for Proposals (RFP), quotes or sole source procurement as outlined below

In general, for purchases more than \$20,000 an RFP is required. LDCPH is responsible for preparing and distributing the RFP. Standard elements to be considered for the RFP include:

- Instructions to offerors specifying when, to whom, and where proposals should be sent.
- Project scope and requirements including indication of any monetary limits.
- Project tasks offerors are expected to carry out.
- Guidance for preparing costs estimates., i.e. expense categories
- Start and completion dates for each phase of the work plan.
- Description of screening criteria and award process

Quotes

In general, three (3) written quotes are required for supplies/services costing between \$7,500 and \$20,000. The request for quotes should include clear and concise specifications; all vendors responding to the request for quotes shall receive the same specifications. The LDCPH program director obtains the quotes. As applicable, vendors are to provide government pricing. Quotes must be dated and specify the quote is valid for a minimum of 30 days. Recommendations on which quote to accept along with copies of the quotes are reviewed with the Director prior to purchase approval.

LDCPH may purchase from established city, county, state or federal pricing quotes in lieu of obtaining additional quotes.

For established vendors, purchases may be made without obtaining quotes if the prices are considered reasonable. However, at least every three years the program director will initiate the process of obtaining quotes for these supplies/services.

FINANCIAL POLICIES

Sole Source Procurement

LDCPH has the option of a sole source, or non-competitive procurement process, under the following types of circumstances:

- Only one known source exists for supplies or services as determined by documented research
- No other reasonable alternative source exists that meets the Agency requirements
- Only one source meets the business need of the LDCPH (e.g., compatibility, unique feature to meet business need, professional expert)
- The public exigency or emergency for the requirement will not permit a delay resulting from competitive solicitation
- The federal awarding agency or pass-through entity expressly authorized noncompetitive proposals

Written justification for a sole source vendor is reviewed with the Director prior to purchase approval.

Value	Approval Required	Quote/RFP Requirement
More than \$20,000	Health Board	RFP or sole source
\$7,500 - \$20,000	Director	Quotes or sole source
Less than \$7,500	Director	None required

Purchases shall not be divided so as to constitute a smaller purchase to avoid authorization limits.

Purpose

To set standards for issuing purchasing cards and communicate to staff proper use of agency purchasing cards

Policy

The LDCHD issues purchasing cards and sets credit lines consistent with purchasing responsibilities of individual staff. Purchasing cards are used primarily for online purchases and local vendors such as Wal-Mart and Target that no longer issue invoices for purchases as well as costs associated with business travel.

Procedure

The Financial Specialist and Executive Director will work with the Health Department's bank to issue cards in accordance with best practices related to separation of duties in such matters. The Director approves all cards and sets credit limits prior to issuance.

The Financial Specialist is responsible for maintaining all records related to purchasing cards including copies of *Purchasing Card Cardholder Agreement* and reviewing with staff expectations for proper use of cards. A copy of the *Cardholder Agreement* is attached to this policy. Upon expiration and renewal of cards, employees will sign a *Cardholder Agreement* and review expectations for proper use.

Cards issued to staff no longer employed with the Health Department will be returned to the Financial Specialist and the Financial Specialist will instruct bank to cancel the card.

**Lawrence-Douglas County Health Department
Purchasing Card Cardholder Agreement**

Name of Cardholder: _____

Card #: XXXX XXXX XXXX XXXX Expiration Date: _____

Cardholder agrees to accept responsibility for the protection and proper use of the Visa Purchasing Card in accordance with the terms and conditions below:

1. Cardholder agrees to use the Purchasing Card only to purchase goods for the Health Department's use where the Health Department's standard purchase order procedure is not accepted by the vendor. Examples include local merchants such as Target and Wal-Mart as well as purchases by phone and Internet. All purchases must comply with Health Department purchasing policies.
2. Cardholder understands that purchases made with the card are tax-exempt. Cardholders are responsible for making sure taxes are not charged to their purchases by informing vendors that the Health Department is tax-exempt before an order is processed.
3. Cardholder agrees to provide supporting documentation and/or receipts from the vendor. Documentation and/or receipts are to be submitted to the Financial Specialist following the Health Department's standard purchasing process. Items listed on the documentation/receipt are to be verified by a third party as being received by the Health Department. The receipt should be initialed and dated by the third party. Failure to report or document purchases may be deemed an improper use of the Purchasing Card.
4. If the card is lost or stolen, Cardholder will contact Mastercard immediately at 1-800-472-1959. Cardholder will record the name of the person he/she spoke with; time and date card was reported missing, and reference number provided by the bank. Cardholder will also inform the Financial Specialist immediately of the missing card. In the absence of the Financial Specialist, the cardholder will inform the Health Department Executive Director.
5. **THE CARDHOLDER MAY NOT MAKE PERSONAL PURCHASES ON THE CARD.** Cardholder understands that he/she shall be personally liable for any improper use of the Purchasing Card and agrees to pay the Lawrence-Douglas County Health Department for any such improper use. Purchases as a result of lost or stolen card shall not be considered an improper use if the Cardholder reported the lost or stolen card immediately as described in paragraph 4. Cardholder understands that his/her improper use of the Purchasing Card may be cause for disciplinary action by the Health Department including termination of employment and that improper use of the Purchasing Card may subject the Cardholder to criminal prosecution.
6. Cardholder understands that he/she is responsible for securing the Purchasing Card entrusted to him/her. Cardholder shall safeguard card and card numbers and prohibit others from using the Purchasing Card.

Title: **Purchasing Card Usage Policy**

Approved By: LDCHD Board of Health

Origin Date: 6/17

Revision Date(s): 1/20

Review Date(s):

Approval Date: 1/27/2020

Reviewer: ADMIN Team

Review Cycle: 60 Months

Page 2

7/31/2020

FINANCIAL POLICIES**Purchasing Card Usage Policy**

7. Cardholder understands that should his/her employment with the Lawrence-Douglas County Health Department be terminated for any reason, the Purchasing Card must be returned to the Health Department. Cardholder also understands that the Health Department may withdraw authorization to use the Purchasing Card and require the return of the Purchasing Card at any time for any reason.
8. If in doubt that a purchase is authorized under this agreement through the use of the Purchasing Card, Cardholder understands that he/she should seek prior approval from the appropriate Director. Such approval presumes the proper use of the Purchasing Card.
9. Cardholder acknowledges by his/her signature to this agreement that, he/she has received training in the proper use of the Purchasing Card, understands the Health Department's purchasing procedures, and has read and understands this agreement.

Cardholder Signature _____

Date _____

FOR DEPARTMENT USE ONLY

Limit Per Purchase \$
Monthly Limit \$

Approval: _____
Executive Director

Date: _____

Expectation for Proper Use

Retention of receipts and other purchase documentation is required. As with any purchase made for the Health Department, sales slips, cash register receipts, invoices, order forms and receiving documents must be retained. All purchases must be coded to the appropriate general ledger code including relevant grant information.

Purchasing cards are not intended to avoid or bypass appropriate purchasing or payment procedures. The purchasing card program would complement the existing policies, procedures, and processes.

Purchases must be for the use and benefit of the Health Department. No personal purchases will be allowed.

Receipts must list items purchased and must be itemized.

Vendors will need to be notified at time of purchase of the Health Department's tax exempt status.

FINANCIAL POLICIES**Staff Recognition and Retirement
Purchasing Procedures**

The LDCHD makes every effort to recognize employees for their continued employment and service every five years. The LDCHD also recognizes employees upon retirement. The recognition committee is charged with purchasing food and supplies as part of the recognition and planning the retirement reception.

An annual allowance of up to \$100 will be provided for coffee, paper products and utensils for recognition purposes.

Total expenses per individual staff recognition should not exceed \$50.

Total expenses per individual staff retirement, should not exceed \$750.

The purchase of items for the recognition should be in the following manner:

1. Order/purchase items from vendors with whom the LDCHD has an established charge account: Dillon's and Hy-Vee (check out card from purchasing agent), Panera Bread, Munchers Bakery, Wheatfields Bakery and Einstein Brothers Bagels (present tax exempt certificate and business card).
2. Submit all receipts to the Accountant after purchasing with documentation of which staff member is being recognized.

The purchase of items for the retirement should be in the following manner:

1. The recognition committee will submit a budget to the Health Department Director not less than six weeks prior to the event. This budget should be all inclusive, including invitations, postage and food. The budget will specify the quantity, dollar amount and vendor for purchases. No alcohol purchases are allowed with LDCHD funds.
2. Upon receiving approval of budget, the recognition committee will coordinate with the Purchasing Agent to purchase approved supplies/services.

Purchasing Procedures
related to Staff
Recognition or
Retirement

Review Cycle – 12 months

Reviewed By : DAS

Origin Date 12/06

Revision Date(s) 3/10, 9/11

Review Date(s) 8/10, 9/11

Page 1

Print Date

5/2/2022

The standing requisition is designed to assist the programs in purchasing items on a regular/repetitive basis. Requests to purchase are made by completing a current inventory and determining the amount to purchase based on prior usage. All standing requisitions are kept electronically within Excel spreadsheets. The standing requisition is used by programs to purchase:

- Clinic Supplies
- Pharmaceuticals
- Environmental Health Supplies
- Clinic Office Supplies
- Office Supplies

Clinic Supplies

- a) General Clinic Supplies are supplies that are used by more than one program, where Family Planning uses the majority (i.e. table paper, gloves, biohazard bags). The Clinic Assistant will complete the request section on the spreadsheet. The Family Planning Nurse Practitioner will complete the approval section on the spreadsheet except for cotton balls, syringes and needles which will be approved by the Immunization Team Leader and Hemocues which will be approved by the WIC Coordinator/Nutritionist if for WIC and the Family Planning Nurse Practitioner for Hemocues used for programs other than WIC.
- b) Pharmaceuticals are broken into two parts: Family Planning/STD and Immunizations.
 1. Family Planning/STD: The Family Planning Nurse Practitioner will complete the request and approval section on the spreadsheet.
 2. Immunizations: The Immunization Team Leader will complete the request and approval section on the spreadsheet.

Environmental Health Supplies

The Environmental Health Specialist will complete the request section on the spreadsheet. The Director of Environmental Health will complete the approval section on the spreadsheet.

Clinic Office Supplies

The designated Office Assistant will complete the request section on the spreadsheet. The Clinic Office Coordinator will complete the approval section on the spreadsheet.

Standing Requisitions
Review Cycle – 12 months
Origin Date 12/06
Revision Date(s) 3/10, 9/11
Review Date(s) 8/10, 9/11

Reviewed By : DAS

Page 1
Print Date
5/2/2022

Office Supplies

The Administrative Support Specialist will complete the request section on the spreadsheet. The DAS will complete the approval section on the spreadsheet.

Processing Standing Requisitions

- a) The Purchasing Agent/Administrative Support Specialist is then notified via email that an order is requested and the date when the items are needed.
- b) The Purchasing Agent completes the purchase order number portion of the spreadsheet.
- c) The Purchasing Agent completes the purchase order and places the order.

Standing Requisitions	Review Cycle – 12 months	Reviewed By : DAS	Page 2
Origin Date	12/06		Print Date
Revision Date(s)	3/10, 9/11		5/2/2022
Review Date(s)	8/10, 9/11		

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Standing Requisitions
Review Cycle – 12 months
Origin Date 12/06
Revision Date(s) 3/10, 9/11
Review Date(s) 8/10, 9/11

Reviewed By : DAS

Page 1
Print Date
5/2/2022

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Standing Requisitions	Review Cycle – 12 months	Reviewed By : DAS	Page 2
Origin Date	12/06		Print Date
Revision Date(s)	3/10, 9/11		5/2/2022
Review Date(s)	8/10, 9/11		