

MAIMONIDES MEDICAL CENTER

CODE: PURCH-001 (Revised)
DATE: September 28, 2017
ORIGINALLY ISSUED: October 20, 1967

SUBJECT: CENTRALIZED PURCHASING

I. PURPOSE:

It is the purpose of this procedure to set forth the controls necessary to ensure that the activities of the Purchasing Department and Materials Management are conducted at the highest professional standards. It is the goal of the Medical Center to provide the highest level of patient care and safety. The Purchasing Department will seek to achieve that goal by procuring the highest value products at the lowest possible cost.

II. POLICIES and PROCEDURES

It is the policy of Maimonides Medical Center that all purchases for goods or services for all departments (including MMC Holding Corp.) be centralized through the Purchasing Department.

- A. All purchases of goods and services require a purchase requisition to be submitted by the requisitioning department (See Purch. # 2).
- B. Purchase order requests may be prepared by the Purchasing Department upon receipt of a written requisition (Form 343) signed by individuals authorized to sign such requisitions. (Reference Hospital Policy AD-83)
- C. Check requests may only be used for emergency orders of medical goods or services, reimbursement of qualified petty cash expenses and other limited items as delineated in Hospital Policy FIN-4. All other purchases of good and services must be on a purchase requisition. **No purchases of capital equipment may be paid for via a check request.**

A purchase order must be prepared prior to placing an order for the goods or services or making a purchase commitment.

It is the Medical Center's policy not to pay any vendor for goods and services without a valid purchase order or check request, or where the amount to be paid is in excess of the previously approved purchase order. It is the responsibility of Accounts Payable to ensure compliance with this policy.

III. RESPONSIBILITIES:

- A. It is the responsibility of a requesting department to complete a purchase requisition. Before a department can process a requisition, it must have the following:
 - A valid and unique PeopleSoft sign-on ID (for on-line requisitions)
 - A origin number that is unique to the requesting department
- B. Each department must follow the procedures outlined in Medical Center Policy PURCH-2 when completing the requisition.
- C. All requisitions must be approved through the workflow process.
- D. The Finance Department is responsible for reviewing all leasing, project and capital requisitions.
- E. The Purchasing Department is responsible for preparing purchase orders upon receipt of a completed and authorized purchase requisition.
- F. The Purchasing Department is responsible for overseeing the bidding process (See PURCH- 6), negotiating all final pricing and making commitments to vendors on behalf of the Medical Center.
- G. The Purchasing Department is responsible for maintaining the certificates of insurance for all vendors doing business with the Medical Center.

IV. CONTROLS:

- A. The Purchasing Department will periodically review requisitions and purchase orders to insure compliance with this policy.
- B. The Purchasing Department will review all capital requisitions to insure compliance with this policy.
- C. The Medical Center's Internal Auditor will periodically review the procedures specified herein, in order to ascertain compliance with this policy.

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President & CEO

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