



Los Angeles County Department of Health Services

Policy & Procedure Title:		Procurement of Equipment and Supplies	
Category:	800-899 Equipment, Services, Supplies	Policy No.:	820
Originally Issued:	11/24/1975	Update (U)/Revised (R):	10/01/2014 (R)
DHS Division/Unit of Origin:		Supply Chain Operations	
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Distribution: DHS-wide <input checked="" type="checkbox"/>		If not DHS-wide, other distribution:	

PURPOSE:

The purpose of this policy is to assure the efficient and effective procurement of equipment, supplies, and services to support the operation of Department of Health Services.

DEFINITION(S):

The term “equipment” generally refers to all items with a unit cost of \$300 or more and an expected life of more than three years. Exceptions such as office machines and some medical equipment fall under the \$300 threshold. The Auditor-Controller’s Capital Assets-Equipment Guidelines and the Chief Administrative Officer’s Budget Instructions specifically provide the exceptions.

“Supplies” generally refers to consumable items and minor equipment with a unit cost of under \$300.

POLICY:

Corporate Supply Chain Operations shall establish a system for the efficient and timely ordering, procurement and payment of services, supplies and equipment.

Each budget unit will establish controls over its expenditures and shall follow the policies of the Purchasing Agent (ISD) and Auditor-Controller’s office relating to procurement of equipment, supplies and services.

The mission of the Los Angeles County Department of Health Services is to ensure access to high-quality, patient-centered, cost-effective health care to Los Angeles County residents through direct services at DHS facilities and through collaboration with community and university partners.

Revision/Review Dates:
 Department Head/Designee Approval:

Only specifically designated individuals have the authority to initiate requests on behalf of DHS and sign procurement documents within the limits established by the Purchasing Agent and Auditor Controller.

Equipment shall be budgeted in one of two ways:

1. As part of a Capital Project.
2. As part of the Department's annual operating budget.

Funds budgeted in Capital Projects or Capital Assets-Equipment, will be purchased by Supply Chain Operations within the scope of this policy.

NOTE: All medical equipment must have Cerner compatibility as validated by DHS Information Technology. The Cerner Certification program of medical equipment is required to ensure a seamless connection between medical equipment and the Electronic Health Record (EHR), ORCHID system.

GUIDE:

The Auditor-Controller periodically reviews classifications of equipment and supplies and makes necessary adjustments which are issued to all departments and procurement units. Any adjustments shall be incorporated into operating procedures developed by procurement units of the Department.

REFERENCE(S)/AUTHORITY:

County Fiscal Manual Procurement Methods – 4.4.0