



Swedish Covenant Hospital

Department 03 Material Management
Cost Center 955 Purchasing
Policy 08 Procurement of Goods and Services

Submitted By: David Kranenburg, Director, Supply Chain

Approved By: [Signature] Vice President of Operations 6/20/14
Signature Title Date
[Signature] Senior Vice President/COO 6/25/14
Signature Title Date

Effective Date: August 24, 1993 Revised: 2/07, 9/08, 7/11, 6/14
Reviewed: every three years

POLICY

- 1. The Purchasing Department:
 - a. Is the centralized authority to commit funds via the issuance of a Purchase Order.
 - b. Selects suppliers and negotiates contracts for goods and services required for operations and patient care with the exclusion of pharmaceuticals and food service dry goods and perishables.
 - c. Provides a standardized method of procuring goods and services.
 - d. Ensures that supplies and equipment are purchased at the most economical price consistent with goods quality.
 - e. Maintain proper control over the expenditure of funds.
 - f. Promote standardization of supplies in the hospital.
 - g. Identifies and adheres to hospital-designated purchasing contracts and corporate group purchasing programs.
- 2. Orders are not considered binding nor respective invoices paid without a corresponding Purchase Order.

PROCEDURE

- 1. Departments in need of goods and services submit a purchase request to the Purchasing Department in the form of a Purchase Requisition, Traveling Requisition (T.R. Card), or computer-generated requisition.
- 2. Requisitions are approved by the department manager, supervisor or designee with the exception of computer-generated requisitions, which may be available via authorized access through the department manager and Information Systems.
- 3. Upon receipt of the requisition, Purchasing selects a supply source, negotiates pricing and issues a purchase order to the selected supplier.
- 4. The Purchasing Department expedites orders and contacts suppliers regarding backorders.
- 5. The purchase of pharmacy supply items is arranged by the Pharmacy Department.
- 6. The purchase of fresh food items is arranged by the Food Service Department.