

PHS POLICY ZERO DOLLAR PURCHASE ORDERS (PO)

PURPOSE: The purpose of this policy is to provide procedural guidelines and instructions for requesting zero dollar purchase orders in the Partners Healthcare System, Inc. (PHS).

SCOPE: These procedures apply to all PHS Purchasing department personnel.

POLICY AND PROCEDURES STATEMENT: The zero dollar purchase order is used to track capital and non-capital equipment and/or materials/supplies for trials or loaner equipment/ supplies to entity/hospital departments for evaluation. PHS Purchasing will put a standard comment disclaimer on the Purchase Order indicating the vendor shall be liable should there be an equipment and/or product malfunction/ failure causing harm to any of our patients. The Purchase Order will be for 0\$ and cannot be invoiced against. The following procedures have been developed to ensure the tracking capabilities of the requesting department.

PROCEDURES:

I. When evaluating any new equipment/material:

A. Requestor shall submit an ebuy requisition for the equipment/product.

1. List all equipment specifications in line comments (i.e. model #, serial #, dollar value, time frame of evaluation.)
2. Requestor must send all documentation to Purchasing (i.e. quotes, agreements, etc.)
3. If supplies are needed for the evaluation and there is a charge, those items must be put on a separate purchase order.
4. Purchasing will turn the requisition to a Purchase Order and put the line below as the standard comment:

"THIS IS A NO CHARGE PURCHASE ORDER; FOR EQUIPMENT / PRODUCT EVALUATION / LOANER USE ONLY.

AT THE END OF THE TERM (DATE OF EVAL LOANER ENTER HERE)(VENDOR NAME ENTER HERE) MUST CONTACT (CUSTOMER NAME ANDPHONE # ENTER HERE) FOR THE PURCHASE OR RETURN OF MATERIAL.

IF THE MATERIAL IS TO BE PURCHASED, A SEPARATE PURCHASE ORDER MUST BE ISSUED BY PARTNERS HEALTHCARE SYSTEMS PURCHASING DEPARTMENT. WHILE THE EVALUATION IS BEING PERFORMED, VENDOR MUST PROVIDE PROOF OF AT LEAST \$1,000,000.00 OF INSURANCE PER INCIDENT ON AID EQUIPMENT. THE SHIPPING AND ALL INSURANCE OF RETURNED EQUIPMENT WILL BE THE FISCAL RESPONSIBILITY OF THE VENDOR. THE VENDOR WILL INDEMNIFY THE CUSTOMER AND ALL ITS AGENTS, FROM ALL HARM, DUE TO THE VENDOR'S NEGLIGENCE, MANUFACTURING DEFECT, OR ACCIDENTAL ACTIONS OF ANY OF ITS AGENTS. THE VENDOR IS RESPONSIBLE FOR THE REPAIR OF THE EQUIPMENT. PLEASE DO NOT INVOICE ON THIS PURCHASE ORDER. IF AN INVOICE IS RECEIVED, IT WILL BE RETURNED UNPAID.

VALUE OF EQUIPMENT: (ENTER HERE)."

5. Note: All Zero Dollar Purchase Orders for equipment evaluations/loaners need to be reviewed by contracts before processing.

REGULATORY REFERENCE(S):

ORIGINATOR(S): Paul Riley

COLLABORATOR(S): Diane lacey, Stan Cohen, Diane Barry, Michele Johnson

REVIEWED: Joseph Beard, Laura Sayers DATE: 8/5/09

REVISED: Joseph Beard DATE: 8/5/09

DISTRIBUTION:

CROSS-REFERENCES: "Creating a Purchase Order"

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