



**THOMAS L. GARTHWAITE, M.D.**  
Director and Chief Medical Officer

**FRED LEAF**  
Chief Operating Officer

COUNTY OF LOS ANGELES  
DEPARTMENT OF HEALTH SERVICES  
313 N. Figueroa, Los Angeles, CA 90012  
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BOARD OF SUPERVISORS

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June 27, 2005

The Honorable Board of Supervisors  
383 Kenneth Hahn Hall of Administration  
500 West Temple Street  
Los Angeles, CA 90012

Dear Supervisors:

**RETROACTIVE PAYMENTS FOR SERVICES PROVIDED AT OLIVE VIEW-UCLA  
MEDICAL CENTER, HARBOR-UCLA MEDICAL CENTER, LAC+USC MEDICAL CENTER,  
MARTIN LUTHER KING, JR./DREW MEDICAL CENTER, HEALTH SERVICES  
ADMINISTRATION AND PUBLIC HEALTH SERVICES (1<sup>st</sup>, 2<sup>nd</sup> and 5<sup>th</sup> Districts) (3 Votes)**

**IT IS RECOMMENDED THAT YOUR BOARD:**

Approve and delegate authority to the Director of Health Services, or his designee, to authorize and approve retroactive payments in the amount of \$79,667 for services provided at Olive View-UCLA Medical Center; in the amount of \$67,205 for services provided at Harbor-UCLA Medical Center; in the amount of \$102,975 for services provided at LAC+USC Medical Center; in the amount of \$380,867 for services provided at Martin Luther King, Jr./Drew Medical Center; in the amount of \$22,179 for services provided at Health Services Administration; in the amount of \$29,655 for services provided at Public Health Services; for a total amount of \$682,548.

**PURPOSE/JUSTIFICATION OF RECOMMENDED ACTIONS:**

These actions are necessary to reimburse certain vendors who have provided emergency and non-emergency services to various Department of Health Services' (DHS) facilities and programs, at DHS' express request, without DHS first ensuring appropriate authorization for payment of those services. A range of actions has been taken to minimize or eliminate future occurrences. In some instances disciplinary action occurred. In others, additional training and counseling was provided to the staff involved.

FISCAL IMPACT/FINANCING:

The total amount outstanding for services provided without appropriate authorization is \$682,548. A majority of this cost has been incurred at Martin Luther King, Jr./Drew Medical Center (King/Drew). These retroactive payments are one-time reimbursements. Funding will be absorbed in the Department's Fiscal Year 2005-06 Adopted Budget. The amounts due, by facility/program, follows. Greater detail on each of the services provided is contained in Attachment A.

**Olive View-UCLA Medical Center**

The total cost in retroactive payments is \$79,667.

- Data Pacific Key punch, at a cost of \$29,345 for the period of March 5, 2001 through July 9, 2003;
- Philips Medical Systems, at a cost of \$50,322 for the period of October 1, 2004 through February 14, 2005.

**Harbor-UCLA Medical Center**

The total cost in retroactive payments is \$67,205.

- Data Pacific Key punch, at a cost of \$7,820 for the period of July 1, 2001 through June 30, 2003;
- Myriad Genetic Laboratories, Inc., at a cost of \$53,430 for the period of June 10, 2002 through October 16, 2003;
- Parking Company of America, LLC at a cost of \$5,955 for the period of May 1, 2003 through June 30, 2003.

**LAC+USC Medical Center**

The total cost in retroactive payments is \$102,975.

- Data Pacific Key punch, at a cost of \$38,492 for the period of March 1, 2001 through August 5, 2003;
- M&J Video Communications, Inc., at a cost of \$64,484 for the period of October 26, 2004 through December 16, 2004.

**Martin Luther King, Jr./Drew Medical Center**

The total cost in retroactive payments is \$380,867.

- Cardio Vascular Plus, at a cost of \$23,038 for the period of June 22, 2002 through November 3, 2003;
- Claire Husted, at a cost of \$16,000, for the period of July 1, 2002 through April 30, 2003;

The Honorable Board of Supervisors

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- Delbert Ash, at a cost of \$11,000 for the period of March 7, 2004 through March 19, 2004;
- Dynamics Orthotics & Prosthetics, Inc., at a cost of \$95,977 for the period of June 19, 2001 through January 23, 2004;
- Excel Elevator Services, Inc., at a cost of \$11,375 for the period of April 20, 2003 through July 14, 2004;
- Genzyme Corporation, at a cost of \$56,280 for the period of July 1, 2002 through June 30, 2004;
- Glidewell Laboratories, at a cost of \$7,401 for the period of May 29, 2003 through October 18, 2003;
- J. A. Neurodiagnostics Medical Services, at a cost of \$40,020 for the period of January 9, 2002 through December 23, 2003;
- L-3 Communications Security and Detection Systems, Inc., at a cost of \$8,965 for the period of November 2001 through October 29, 2002;
- McKesson Automation Systems, Inc., at a cost of \$7,200 for the period of June 1, 1999 through May 31, 2000;
- McKesson Automation Systems, Inc., at a cost of \$16,026 for the period of July 1, 2003 through June 30, 2004;
- Mediq/PRN Life Support Services, Inc., at a cost of \$13,380 for the period of April 1, 2004 through February 28, 2005;
- National Radiographic Systems, Inc., at a cost of \$4,762 for the period of July 18, 2003 through August 15, 2003;
- Omnicell, Inc., at a cost of \$12,484 for the period of July 1, 2002 through June 30, 2003;
- Philips Medical Systems, at a cost of \$6,368 for September 16, 2003;
- Selane Products, Inc., at a cost of \$793 for the period of August 20, 2003 September 24, 2003;
- Steris Corporation, at a cost of \$3,448 for the period of July 1, 2002 through June 30, 2003;
- Toshiba America Medical Systems, Inc., at a cost of \$46,350 for the period of July 1, 2002 through September 30, 2002.

#### **Health Services Administration**

The total cost in retroactive payments is \$22,179.

- Procurement Services Associates, at a cost of \$22,179 for the period of July 12, 2004 through October 20, 2004.

#### **Public Health Services**

The total cost in retroactive payments is \$29,655.

- On Assignment, Inc., at a cost of \$29,655 for the period of May 2, 2004 through July 4, 2004.

## FACTS AND PROVISIONS/LEGAL REQUIREMENTS:

This request for approval of retroactive payments is necessary to allow payment to vendors whose services were obtained without appropriate authorization. Even though DHS managers are aware of the appropriate procedures to follow to receive authorization for services, including emergency services, in the instances detailed herein, appropriate procedures, through error or oversight, were not followed.

### Causes of Errors/Oversight

Generally, the occurrences of utilizing services without appropriate authorization have been relatively few. For example, Olive View-UCLA and LAC+USC Medical Centers have only two instances each of unauthorized services for calendar years 2001 through 2005, and Public Health and Health Services Administration have one each.

With the exception indicated in the paragraph below, the main causes of error or oversight have been incident specific. In some cases the facility/program staff thought a purchase order had been obtained when it had not. In other cases staff utilized the services without requesting a purchase order or unwittingly continued using services that exceeded the purchase order's spending limit. For example, in one case there were unanticipated and expensive repair expenses that exceeded the contract's maximum obligation and occurred during the last two months of the contract's term. There was no time to increase the contract's maximum obligation prior to its expiration, and the purchase order process was not available in this circumstance. In another case, the contractor filed for bankruptcy requiring the facility to use a different vendor on an emergency basis to repair equipment. The emergency vendor was secured by the Office of Public Safety. Because of a failure in communication, the facility and the Office of Public Safety both thought the other had secured a purchase order when neither had.

Most of the unauthorized services for which retroactive payment is being requested occurred at King/Drew. The primary reason for King/Drew's use of unauthorized services was personnel-related. King/Drew procurement did not process many purchase order requests in a timely manner and consequently, those purchase order requests became delinquent and were never processed. Program staff, who had appropriately requested the purchase orders, incorrectly presumed that their purchase orders had been approved and used services without payment authorization. Over half of the unauthorized use ceased by the end of calendar year 2003, when the delay in processing was identified and corrected by the Interim Chief Executive Officer. The delay in bringing these forward is due in part to the large number of problems with procurement and the length of time it has taken to identify all of the problems. Corrective action with regard to King/Drew management was taken previously and resulted in the removal of personnel from the facility. Further disciplinary action is being taken.

### Reasons for Delayed Requests

Some of the payment requests are for services rendered over three years ago. The reasons for these delayed requests include:

- The vendor did not invoice for years and it was only recently determined that there was no purchase order covering a transition period for three facilities' data processing needs;

- The vendor recently reconciled its invoices and determined that it had never invoiced the facility for pre-contract services. The purchase order had been cancelled as no invoices had been received;
- Services provided by a vender were partially paid and the vendor did not reconcile its invoices until recently.

Corrective Action

Disciplinary action has been taken with regard to King/Drew. For those facilities with retroactive payments that would benefit from corrective action, additional corrective action has been taken in the form of retraining program staff, where appropriate, on the requirement of receiving purchase order confirmation before allowing vendors to perform services, and on the emergency purchase order process. Also, staff has been instructed on the necessity of tracking purchase order payments.

A list of vendors from whom services were ordered without proper payment authority, including the recommended retroactive payment amount, the date of service, and an explanation of each occurrence, including corrective action where indicated, is attached.

CONTRACTING PROCESS:

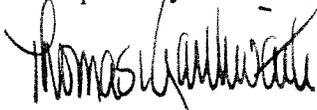
Information concerning this retroactive action is not appropriate for posting on the Countywide Web Site.

IMPACT ON CURRENT SERVICES (OR PROJECTS):

These actions will allow for payment to vendors who provided emergency and non-emergency services to the Department and will provide for continued good faith business relationships with these and other vendors.

When approved, this Department requires three signed copies of the Board's action.

Respectfully submitted,



Thomas L. Garthwaite, M.D.  
Director and Chief Medical Officer

TLG:ir

Attachment

c: Chief Administrative Officer  
County Counsel  
Executive Officer, Board of Supervisors

**ATTACHMENT A**

**Olive View -UCLA Medical Center**

**Total \$79,667**

Vendor Name: Data Pacific Keypunch  
Type of Service: Keypunch Services  
Period of Service: March 5, 2001 through July 9, 2003  
Retroactive Amount: \$29,345

Certain State and federal cost reports require that the Department provide information on employee salary cost deviations, i.e., the time spent at the "where worked" cost center v. the time spent at the "home" cost center. Data Pacific Keypunch (DPK) provided keypunch services for these cost reporting requirements for the Department through a contract (Agreement No. 71249).

Because DHS' facilities were in the process of absorbing the work of collecting employee salary cost deviations through an internally developed Labor Cost Distribution system, it was decided that the DPK Agreement, expiring on February 28, 2001, would not be renewed. During the transition period, from March 2001 through August 2003, any temporary keypunch service needs would be paid through purchase orders. Although DHS facilities thought that the purchase orders had been requested and the services authorized, in fact, the vendor's services were not authorized. Because Data Pacific Keypunch invoiced infrequently (annually), the facilities were unaware of the lack of purchase orders until well after the services were no longer needed. Consequently, services were provided without proper payment authority.

It is highly unlikely that the unique set of circumstances leading to the use of these services without proper payment authority will reoccur because employee salary cost deviations are tracked by an in-house system, and there is no need for keypunch services for this function.

Vendor Name: Philips Medical Systems  
Type of Service: CT Equipment Maintenance Services  
Period of Service: October 1, 2004 through February 14, 2005  
Retroactive Amount: \$50,322

A full services lease agreement for CT Scanner equipment at Olive View expired in September 30, 2004. The equipment portion of the lease was extended; however, the maintenance and repair services portion was not. Effective February 15, 2005, the CT Scanner equipment was amended into an existing Philips equipment maintenance and repair services contract. During the period of October 1, 2004 through February 14, 2005, Philips provided preventive maintenance services without proper payment authority.

**Harbor-UCLA Medical Center**

**Total \$67,205**

Vendor Name: Data Pacific Keypunch  
Type of Service: Keypunch services  
Period of Service: July 1, 2001 through June 30, 2003  
Retroactive Amount: \$7,820

See explanation under Olive View-UCLA Medical Center above.

Attachment A (cont.)

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Vendor Name: Myriad Genetic Laboratories, Inc.  
Type of Service: Genetic Testing for Breast and Ovarian Cancer Risk  
Period of Service: June 10, 2002 through October 16, 2003  
Retroactive Amount: \$53,430

Myriad Genetic Laboratories, Inc. provides DNA testing associated with bilateral breast and ovarian cancer. These services were paid through purchase orders until June, 10, 2002, when the amount reached the purchase order authority limit. Services continued without payment authority.

A Board-approved contract was offered to Myriad for the period of July 1, 2003 through December 31, 2003. This contract was never executed primarily due to vendor objections to contract language provisions. Concurrently, in October 2003, a new purchase order was issued for \$25,000. There is \$5,000 remaining on this purchase order.

The Department is in the process of determining whether to continue these services, and has requested a decision from the State to include these tests as Medi-Cal covered services.

Vendor Name: Parking Company of America Management, LLC.  
Type of Service: Shuttle Bus Staffing Services  
Period of Service: May 1, 2003 through June 30, 2003  
Retroactive Amount: \$5,955

The contract with the Parking Company of America Management, LLC (Parking Company) provides for shuttle bus services around the Harbor-UCLA campus for patients, visitors, and employees. The shuttle bus is County-owned and is subject to break-downs and needed repair services. The contract requires that a contractor-owned shuttle bus be provided, at a fixed rental rate, when the County-owned shuttle bus is unavailable. Excessive break-downs of the County-owned shuttle bus at the end of Fiscal Year (FY) 2002-03 (the shuttle bus was out of commission for the entire month of May, 2003) necessitated unanticipated rental costs. These unanticipated rental costs exceeded the contract's maximum obligation.

Harbor-UCLA has recently acquired a different shuttle bus, in better mechanical condition, which should preclude the need for rental services in the future.

<b>LAC+USC Medical Center</b>	<b>Total</b>	<b><u>\$102,975</u></b>
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Vendor Name: Data Pacific Keypunch  
Type of Service: Keypunch Services  
Period of Service: March 1, 2001 through August 5, 2003  
Retroactive Amount: \$38,492

See description under Olive View-UCLA Medical Center above.

Attachment A (cont.)

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Vendor Name: M&J Video Communications, Inc.  
Type of Service: CCTV Equipment Repair Services  
Period of Service: October 26, 2004 through December 16, 2004  
Retroactive Amount: \$64,484

During the last quarter of 2004, emergency repairs were ordered by the Office of Public Safety and made to the closed circuit television (CCTV) security system at LAC+USC Medical Center by M&J Video. These services were ordered without the necessary Purchasing Agent approval. Staff has received re-training on the procedure for securing purchase orders in an emergency situation. Further, the Department is initiating a competitive solicitation for CCTV services.

Previously, National Systems Integration (NSI) entered into an equipment maintenance and repair contract amendment to service the CCTV security system at LAC+USC Medical Center for Calendar Year 2004. NSI provided services for a short time (two months) and was paid the full amount of the contract (\$82,404). In July 2004, LAC+USC Medical Center was informed by an NSI competitor that NSI had declared bankruptcy and was out of business. The Department is conferring with County Counsel regarding its legal options, if any, concerning NSI's failure to perform maintenance and repair services under the contract and recoupment of payment for services not rendered.

**Martin Luther King, Jr./Drew Medical Center**

**Total \$380,867**

Vendor Name: Cardio Vascular Plus  
Type of Service: Autotransfusion and Blood Recovery Services  
Period of Service: June 22, 2002 through November 3, 2003  
Retroactive Amount: \$23,038

Cardio Vascular Plus provides autotransfusion and blood recovery services to emergency room patients in the treatment of life threatening traumatic injuries. Autotransfusion allows the physician to have the patient's own blood collected, cleaned, and transfused back into the patient during and after surgery.

Prior to January 2000, the Martin Luther King, Jr./Drew Medical Center (King/Drew) Trauma Unit requested and received purchase orders for payment of these services. However, requested purchase orders were not processed by King/Drew for the period of June 22, 2002 through November 3, 2003, and services were received without proper payment authority.

Beginning in FY 2004-05, the Board approved a contract with Cardio Vascular Plus thereby obviating the need for future purchase orders for this service.

Vendor Name: Claire Husted  
Type of Service: Grant Writing Services  
Period of Service: July 1, 2002 through April 30, 2003  
Retroactive Amount: \$16,000

Attachment A (cont.)

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Claire Husted provided grant writing services for approximately five (5) years to the OASIS HIV/AIDS clinic at King/Drew and was paid through the purchase order process. The purchase order limit was reached in FY 2001-02. From July 1, 2002 through April 30, 2003, staff improperly utilized her services without benefit of proper payment authority. Ms. Husted has indicated that she will not sign a contract with the County until she is paid for her work in FY 2002-03.

Staff has been trained on how to initiate the contract process when purchase order limits are reached.

Vendor Name: Delbert Ash  
Type of Service: Dialysis Equipment Repair Services  
Period of Service: March 7, 2004 through March 19, 2004  
Retroactive Amount: \$11,000

Delbert Ash is a firm that provides expert repair services for dialysis equipment. King/Drew's Nephrology department has dialysis equipment that is twelve years old and is in frequent need of repair. Between March 7 and March 19, 2004, King/Drew's dialysis equipment required emergency repair. A purchase order was not processed by King/Drew for these services because the Nephrology department did not obtain the proper emergency purchase order authority.

Vendor Name: Dynamics Orthotics & Prosthetics, Inc.  
Type of Service: Orthotic and Prosthetic Device Services  
Period of Service: June 19, 2001 through January 23, 2004  
Retroactive Amount: \$95,977

In 2001, Dynamics Orthotics & Prosthetics, a manufacturer of orthotic and prosthetic devices, expressed interest in supplying King/Drew patients with their products. The Physical Therapy department at King/Drew attempted to obtain purchase order authority.

However, a purchase order was not timely processed by King/Drew, and, without waiting for the purchase order authority to be approved, the vendor's services were utilized for the period of June 19, 2001 through January 23, 2004.

On September 21, 2004, the Board approved a contract with Dynamics Orthotics & Prosthetics obviating the need for future purchase orders for this service.

Vendor Name: Excel Elevator Services, Inc.  
Type of Service: Elevator Repair Services  
Period of Service: April 20, 2003 through July 14, 2003  
Retroactive Amount: \$11,375

Between April 20, 2003 and July 14, 2003, five elevators at King/Drew were repaired by Excel Elevator Services, Inc. on an emergency basis without obtaining emergency purchase order

authority. These emergency repair services were performed during a time period when there was some confusion regarding King/Drew's energy savings contract responsibility. It was not uncommon for such services to have been previously paid for under the energy savings contract.

Subsequent elevator repair/refurbishment services have been covered through a contract with the County, obviating the need for purchase orders.

Vendor Name: Genzyme Corporation (purchased Impath, Inc.)  
Type of Service: Cancer Testing Services  
Period of Service: July 1, 2002 through June 30, 2004  
Retroactive Amount: \$56,280

King/Drew has utilized the laboratory services of Impath, Inc. for nearly twenty years to test surgical and oncology patients for solid tumor and blood-based cancers using immunohistochemical stain techniques. Impath was paid through the purchase order process until July, 2002 when the purchase order limit was reached.

Services from Impath continued, without proper payment authority, while King/Drew assessed the potential for a reagent rental contract and/or a contract for these laboratory services. King/Drew has recently acquired immunohistochemistry equipment, with full implementation targeted for April, 2005, minimizing the need for contracted laboratory services.

Vendor Name: Glidewell Laboratories  
Type of Service: Dental Prosthetic Services  
Period of Service: May 29, 2003 through October 18, 2003  
Retroactive Amount: \$7,401

Glidewell Laboratories provides dental laboratory services to King/Drew's Oral and Maxillofacial Surgery patients. Purchase orders were not processed by King/Drew for these services during this time period because they were submitted late by the Oral and Maxillofacial Surgery department. Subsequent to this time, purchase orders have been submitted timely, processed, and the vendor paid.

Vendor Name: J. A. Neurodiagnostics Medical Services  
Type of Service: Intra-operative Monitoring Services  
Period of Service: January 9, 2002 through December 23, 2003  
Retroactive Amount: \$40,020

J. A. Neurodiagnostics Medical Services (J. A. Neurodiagnostics) provides intra-operative surgical monitoring services for neurology patients during surgery to prevent patients from acquiring nerve deficits during a surgical procedure. Prior to January 2002, J. A. Neurodiagnostics was paid through properly authorized purchased orders. However, requested purchase orders were not processed by King/Drew for the period of January 9, 2002 through December 23, 2003, and services were received without proper payment authority. For calendar

Attachment A (cont.)

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year 2003, payment for services exceeded the purchase order limit and King/Drew properly requested a Board contract. King/Drew's request resulted in a Board-approved contract beginning in FY 2004-05.

Vendor Name: L-3 Communications Security and Detection Systems, Inc.  
(Name Change from Perkinelmer Detection Systems, Inc.)  
Type of Service: Magnetometer Repair Services  
Period of Service: November 20, 2001 through October 29, 2002  
Retroactive Amount: \$8,965

L-3 Communications Security and Detection Systems, Inc. provides repair services for magnetometers (weapon screening) devices. During the period of November 20, 2001 through October 29, 2002, four magnetometer devices broke down and required immediate repair. King/Drew did not obtain the proper emergency purchase order authority. Subsequent to this time, purchase orders have been processed and the vendor paid.

Vendor Name: McKesson Automation Systems, Inc.  
(Purchased HBO & Company)  
Type of Service: CD Rom Services  
Period of Service: June 1, 1999 through May 31, 2000  
Retroactive Amount: \$7,200

In FY 1999-00, a purchase order was issued to HBO & Company (later purchased by McKesson Automation Systems, Inc.) for the provision of financial report CD Rom services. Because invoices were not received until 2003, the purchase order was inadvertently canceled. Beginning July 1, 2000, CD Rom services were incorporated into the Board contract with McKesson Automation Systems, Inc.

Vendor Name: McKesson Automation Systems, Inc.  
Type of Service: Pharmacy System Maintenance Services  
Period of Service: July 1, 2003 through June 30, 2004  
Retroactive Amount: \$16,026

McKesson Automation Systems, Inc. provides system services designed to automate the storage, counting, dispensing, and tracking of tablets and capsules in outpatient pharmacies. King/Drew's Outpatient Pharmacy department dispenses drugs utilizing this system. A purchase order was not processed by King/Drew for these services during this time period even though the Outpatient Pharmacy department requested the proper purchase order authority. Subsequent to this time, purchase orders have been processed and the vendor paid.

Vendor Name: Mediq/PRN Life Support Systems, Inc.  
Type of Service: Ventilator Rental Services  
Period of Service: April 1, 2004 through February 28, 2005  
Retroactive Amount: \$13,380

Mediq/PRN Life Support Systems, Inc., (Mediq) provides ventilators for rent. Thirteen ventilators in King/Drew's Neonatal Intensive Care Unit (NICU) became obsolete. The decision was made to rent ventilators as opposed to purchasing them outright. Purchase orders were not processed by King/Drew for these services during this time period even though the Respiratory Care department requested the proper purchase order authority because of a misconception that a ventilator rental contract was in force. Subsequent to this time, purchase orders have been requested for March and April, 2005. King/Drew is considering the purchase of ventilators for the NICU.

Vendor Name: National Radiographic Systems, Inc.  
Type of Service: X-ray Equipment Repair Services  
Period of Service: July 18, 2003 through August 15, 2003  
Retroactive Amount: \$4,762

National Radiographic Systems, Inc. provides repair services to X-ray equipment. Hubert H. Humphrey Comprehensive Health Center's (CHC) Radiology department required emergency repair services for X-ray equipment during the period of July 18, 2003 through August 15, 2003. A purchase order was not processed by King/Drew for these services during this time period even though the Radiology department requested the proper purchase order authority. Subsequent to this time, purchase orders have been processed and the vendor paid.

Vendor Name: Omnicell, Inc.  
Type of Service: Drug Dispensing Unit Maintenance Services  
Period of Service: July 1, 2002 through June 30, 2003  
Retroactive Amount: \$12,484

Omnicell, Inc. provides maintenance and repair services for drug dispensing units. King/Drew's Pharmacy department utilizes nine drug dispensing units designed to provide unit dose dispensing, complete storage and distribution system for inpatients. Prior to July, 2002, the Pharmacy department requested and received purchased orders for payment of these repair and maintenance services. However, requested purchase orders were not processed by King/Drew for these services during this time period even though the Pharmacy department properly requested purchase order. Subsequent to this time, purchase orders have been processed and the vendor paid.

Vendor Name: Philips Medical Systems  
Type of Service: Equipment Installation Services  
Period of Service: September 15-16, 2003  
Retroactive Amount: \$6,368

Philips Medical Systems provides installation services for bedside monitoring systems. King/Drew required emergency reinstallation of 22 bedside monitors and two central stations on September 15-16, 2003. King/Drew's Plant Management requested emergency purchase order authority, however this purchase order was not processed by King/Drew. Subsequent to this time, emergency purchase orders have been processed and vendors paid for emergency services.

Attachment A (cont.)

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Vendor Name: Selane Products, Inc.  
Type of Service: Dental Prosthetic Services  
Period of Service: August 20, 2003 through September 24, 2003  
Retroactive Amount: \$793

Selane Products, Inc. provides prosthetic services for medically compromised dental patients. A purchase order was not processed by King/Drew for these services during this time period even though the Oral and Maxillofacial Surgery department requested the proper purchase order authority. Subsequent to this time, purchase orders have been processed and the vendor paid.

Vendor Name: Steris Corporation  
Type of Service: Sterilizer Maintenance Services  
Period of Service: July 1, 2002 through December 31, 2002  
Retroactive Amount: \$3,448

Steris Corporation provides sterilizer maintenance services for patient equipment sterilizers. Hubert H. Humphrey CHC's sterilizers require monthly maintenance. Purchase orders were not processed by King/Drew for these services during this six-month time period, even though the CHC requested the proper purchase order authority. Subsequent to this time, purchase orders have been processed and the vendor paid. Services for this equipment will be added to the Board-approved contract with Steris obviating the need for future purchase orders.

Vendor Name: Toshiba America Medical Systems, Inc.  
Type of Service: Equipment Maintenance Services  
Period of Service: July 1, 2002 through September 30, 2002  
Retroactive Amount: \$46,350

On July 1, 2002, King/Drew exercised its lease/purchase option for a cardiac bi-plane imaging system and a cardiac ceiling imaging system. The purchase of this equipment did not include maintenance and repair services. King/Drew allowed the vendor to continue to provide equipment maintenance services for three months without proper payment authority. On February 27, 2003, King/Drew did request that the purchased equipment be covered under a Board contract.

The Board approved a contract with Toshiba America Medical Systems, Inc., effective July 1, 2004 for the maintenance and repair of this equipment. This contract has not been fully executed. From October 1, 2002 through June 30, 2004, the equipment did not receive maintenance services, but did receive emergency repair services which were paid through a purchase order.

**Health Services Administration**

**Total**

**\$22,179**

Vendor Name: Procurement Services Associates  
Type of Service: Temporary Contract Staff Services  
Period of Service: July 12, 2004 through October 20, 2004  
Retroactive Amount: \$22,179

Health Services Administration's Contracts and Grants division inadvertently exceeded its purchase order authority for critically needed temporary contract staff services provided by Procurement Services Associates. This purchase order is now exhausted and Contracts and Grants will no longer be using these types of services.

<b>Public Health Services</b>	<b>Total</b>	<b><u>\$29,655</u></b>
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Vendor Name:	On Assignment, Inc.
Type of Service:	Temporary Laboratory Staff Services
Period of Service:	May 2, 2004 through July 4, 2004
Retroactive Amount:	\$29,655

Public Health Services' Public Health Laboratory exceeded its purchase order authority for temporary laboratory staff services for the period of May 2, 2004 through July 4, 2004. On June 29, 2004, the Board approved a contract, effective July 1, 2004, with Public Health Foundation Enterprises, Inc. for the provision of personnel services, including temporary laboratory staff, to perform vital work for bioterrorism preparedness and other public health threats in Los Angeles County, funded 100% by the Federal Centers for Disease Control and Prevention.

<b>GRAND TOTAL</b>	<b><u>\$682,548</u></b>
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