

# SBAR

Date: 8/31/22

<b>Title:</b>	<b>Emory FY 2017 Purchase Order Out of Balance</b>
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<b>Date:</b>	<b>8/31/22</b>

## 1. SITUATION

*Concise statement of the issue/problem to be addressed; define what it is and identify gaps.*

The FY 2017 Emory purchase order had an incorrect voucher applied on 6/22/2017. The voucher was canceled by DPH, but the funds were not restored to the purchase order. Two basic expenditures were done to offset funds that were not restored, but a balance of \$17,786.11 was left unrestored and unresolved. Emory reconciles with a cumulative balance of the funds we have funded since 2017 while we work off yearly budgeted dollars. The out-of-balance was not recognized until this year when an invoice was sent in by Emory, and there were not enough funds remaining on the current purchase order.

## 2. BACKGROUND

*Outline pertinent background information related to the issue (refer to relevant literature, national standards, policy, regulations, standards, requirements).*

If a voucher is entered in error, we request the voucher to be canceled, and the funds are restored back to the purchase order by DPH. In this instance, when DPH canceled the voucher, the funds were not restored to the purchase order. DPH must check a box when canceling a voucher to restore the funds.

## 3. ASSESSMENT

*Outline the analysis and considerations of options to address the issue.*

In FY 2017, funds were not restored to the Emory purchase order, which resulted in a discrepancy of \$17,786.11 and an inability to pay Emory according to the contractual amount. Proper purchase order reconciliations have been put in place since then that will prevent future issues such as this. Paying the funds out of FY 2023 contingency would comply with the contracted amount and protect the future relationship with Emory.

## 4. RECOMMENDATION

*Provide recommendations/actions required about the proposed solution.*

- 1) Actions GTC is already taking to prevent a future recurrence:
  - a. Require all contractors to use the GTC invoice template that reflects balance of funds
  - b. Periodic reconciliation cadence for all purchase orders
- 2) Options for the current reconciliation with Emory:
  - a. Not pay or provide partial payment to Emory (not reflective of the long-term successful relationship with Emory).
  - b. Pay full amount of \$17,786.11 from contingency for FY 2023 (recommended action)\*.