	The Johns Hopkins Health System Policy & Procedure	<i>Policy Number</i>	FIN052
	<i>Subject</i> USE OF PROPER EXPENDITURE CODES/ACCOUNT NUMBERS	<i>Effective Date</i>	01-01-08
		<i>Page</i>	1 of 3
		<i>Supersedes</i>	10-01-06

Revisions noted by vertical bar in right margin

POLICY

This policy applies to The Johns Hopkins Health System Corp. (JHHS) and the following affiliated entities: The Johns Hopkins Hospital (JHH), Johns Hopkins Bayview Medical Center (JHBMC), Howard County General Hospital (HCGH), Johns Hopkins Community Physicians (JHCP), Johns Hopkins Medical Services Corporation (JHMSC), Johns Hopkins Medicine International (JHMI), Ophthalmology Associates (OA), Johns Hopkins Employer Health Programs (EHP), Johns Hopkins Medical Management Corporation (JHMMC), Priority Partners (PP), Johns Hopkins Pharmaquip, Inc. (JHPQ), Johns Hopkins Home Health Services, Inc. (JHHHS), Johns Hopkins Pediatrics Home, Inc. (JHPAHI), Johns Hopkins HealthCare (JHHC), Johns Hopkins Home Care Group (JHHCG), Suburban Health Center (SHC), Broadway Acquisition and Development, and HCGH OB/GYN Associates Series, LLC (HCGH OBGYN).

Purpose

The purpose of this policy is to ensure the accuracy of the financial and accounting records of JHHS and its affiliates through the use of proper expenditure codes and account numbers.

It is the function of the general ledger accounting system to quickly and accurately accumulate all financial transactions. The framework for the general ledger system is the chart of accounts, a listing of all account titles and the account numbers or codes assigned to them. The chart of accounts and the related definitions are the main reference tools for all personnel who are required to assign account numbers or expenditure codes to various accounting transaction documentation, e.g., purchase requisitions, check requests, etc. Failure to verify account information can lead to inaccuracies and delays in the accounting system.

It is the responsibility of all personnel who are required to assign account numbers or expenditure codes for any purpose to verify all account numbers and coding information (including cost centers, business area numbers, etc.) through reference to a current chart of accounts with definitions, or by direct communication with the Accounting Department. The Supply Chain Services Center will make every effort to identify erroneous coding on transaction documentation and to correct codes when appropriate. When the Supply Chain Services Center is unable to correct the coding, they will notify the submitting functional unit or department in order to obtain correct coding.


The JHHS Corporate Accounting Department will provide an updated version of the chart of accounts with definitions to all functional unit administrators on at least an annual basis in order to ensure the availability of current account information. The functional unit administrator will ensure the appropriate distribution of account information to all involved personnel. The JHHS Corporate Accounting Department will also provide direct information to chart of accounts users as required.

REFERENCE

General Ledger Chart of Accounts (with definitions) - Corporate Accounting Department

RESPONSIBILITIES

Corporate Accounting Department	Produce and distribute to all functional units updated versions of the chart of general ledger accounts and definitions on at least an annual basis.
	Provide information and assistance to all personnel regarding the proper use of account number and expenditure codes.

	The Johns Hopkins Health System Policy & Procedure	<i>Policy Number</i>	FIN052
		<i>Effective Date</i>	01-01-08
	<i>Subject</i> USE OF PROPER EXPENDITURE CODES/ACCOUNT NUMBERS	<i>Page</i>	2 of 3
		<i>Supersedes</i>	10-01-06

Revisions noted by vertical bar in right margin

Supply Chain Services Center

Review all transaction documentation for proper account numbers and expenditure codes and correct any erroneous coding as appropriate.

Distribute updated chart of accounts information to all appropriate functional unit personnel.

Functional Unit Administrator, Dept.
Head, Director, Site Manager
All Personnel

Verify account numbers and expenditure codes.

SPONSOR

Vice President of Finance/Chief Financial Officer (CFO) and Treasurer, JHHS

REVIEW CYCLE

Three (3) years


APPROVAL

President, JHHS

Date

PROCEDURES

1. Corporate Accounting Department
 - a. Maintain chart of general ledger accounts and make revisions and additions as necessary to reflect current economic activity of JHHS and its affiliates.
 - b. Produce updated version of the chart of general ledger accounts and definitions on at least an annual basis.
 - c. Distribute updated charts of general ledger accounts with definitions to all functional units on at least an annual basis.
 - d. Provide information and assistance to all personnel regarding the proper use of account numbers and expenditure codes.
2. Supply Chain Services Center
 - a. Review all transaction documents for proper account numbers and expenditure codes and correct any erroneous coding where appropriate.
 - b. Notify the submitting functional unit when erroneous coding cannot be changed by Supply Chain Services Center o
3. Functional Unit Administrator, Department Head, Director, Site Manager
 - a. Communicate or distribute updated chart of accounts information to all appropriate functional unit personnel when received from Accounting Department.

	The Johns Hopkins Health System Policy & Procedure	<i>Policy Number</i>	FIN052
		<i>Effective Date</i>	01-01-08
	<i>Subject</i> USE OF PROPER EXPENDITURE CODES/ACCOUNT NUMBERS	Page	3 of 3
		<i>Supersedes</i>	10-01-06

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4. All Personnel
 - a. Verify account numbers, expenditure codes and all coding information (including cost center, business area numbers, etc.) through reference to the current chart of accounts with definitions or through direct communication with the Accounting Department.