



Retrieval Name
 HCSD Rita Disaster Recovery- PS Finance System Structure.doc
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Issue/Rev Date: September 26, 2005
Originator:
 Financial Services Division
Supercedes: _____

Health Care Services Division
Finance Policies and Procedures

Disaster Recovery Procedures

AUTHORITY				
Federal	State Statutes	La. Admin Code	LSU	HCSD

PROCEDURE NAME: Accounting for Hurricane Rita Financial Activity – PeopleSoft Financial Structure

PURPOSE: Health Care Services Division has established a new combination of PeopleSoft Funds (Similar to our 1xx/8xx combinations) in order to account for Hurricane Rita Financial Activity, (Revenues and Expenses), that will allow distinct accounting for reimbursement and reporting of activity for state and federal regulatory reporting.

HCSD has established Fund 116 for recording actual cash basis revenue and expenditures (Similar to current funds 111, 113, and 115).

HCSD has established Fund 816 for accruals that will be used exclusively by HQ Finance Staff to classify accrued expenses and accounts receivable at the end of reporting periods, (i.e. Year end)

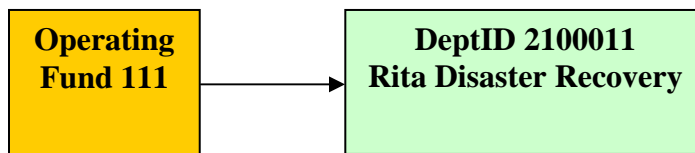
We have also established within these funds a specific and distinct PeopleSoft project number for each of the 9 HCSD General Ledger Business Units to accumulate this information.

Additionally, we have established a distinct Rita DeptID within our operating fund (Fund 111), for items to be reclassified if reimbursement approval is denied or inappropriate. We will use the following code for this DeptID: 2100011.

It may also be appropriate to use this DeptID in Fund 116 if the expenses do not fit an existing PeopleSoft Department.

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Potential sources of Rita revenue include:

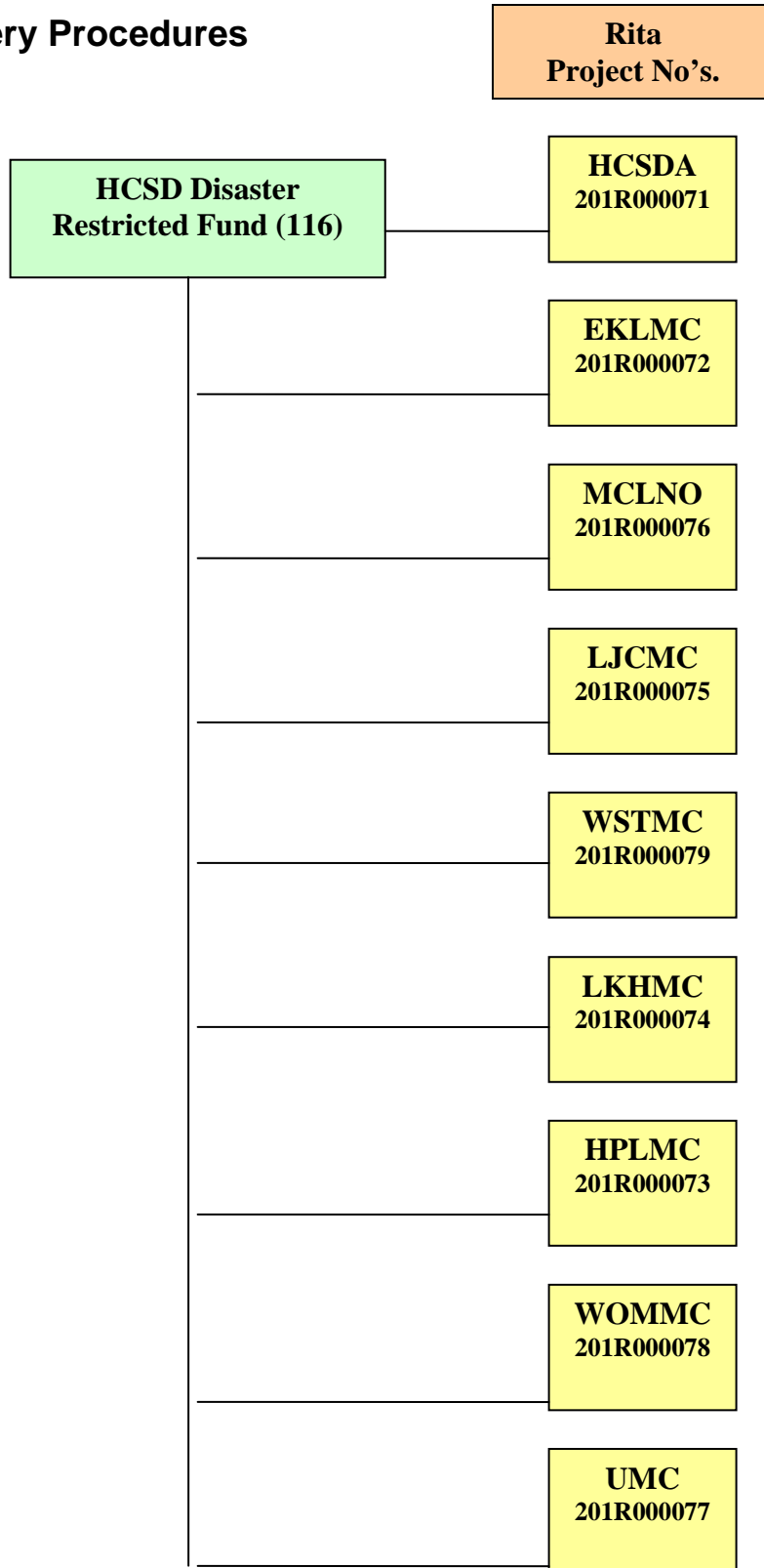
- FEMA Reimbursement
- Office of Risk Management Reimbursement.
- Federal Direct Appropriation
- State Supplemental Appropriation
- Donations and/or Grants

The separate PeopleSoft Fund approach offers organizational advantages that include:

- Separation of Rita and Katrina Revenues and Expenses from regular hospital operating activities.
- Rita financial activity, when isolated, will not skew operating statistical reporting.
- This approach offers the most extensive PeopleSoft reporting and drill down capability.
- Ease of reporting (Only Rita or Katrina related Revenues and Expenses in the designated Fund/Project Combinations). For Financial Reporting, Rita and Katrina activity should be reported as an extraordinary event.
- Retaining department and account integrity for documentation from the original transactions.
- The Fund should only contain Rita and Katrina transactions and should be for a limited duration although that duration will probably cross fiscal years. Once settlement of all Rita and Katrina Expenses and Revenues (Collections) are accounted for, all non-qualifying expenditures would be reclassified to the most appropriate fund and the fund should be closed out with a \$-0- Fund Balance.

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RESPONSIBLE PERSON

ACTION STEPS

Hospital CFO's and
Purchasing Directors

Distribute Disaster Recovery Fund/Rita project
combination coding instructions to appropriate
accounting and purchasing staff members

Hospital CFO's and
Purchasing Directors

Notify HQ Finance staff concerning any issues with the
fund/project combinations.