



Then and Now Scenario Training

Mary Kunckel

Deputy Director Support Services



Introduction

- O.R.C 5705.41
- State Auditor Potential Deficiencies
- Procure to Pay Process
- Encumbering Funds
- Then and Now Certification – New Process for Lucas County to Comply with State Auditor
- What May Trigger a Then and Now Scenario
- How to Identify Then and Now Scenarios in Oracle
- Process for Obtaining Then and Now Certification
- Preventing Then and Now Scenarios



O.R.C 5705.41

Restriction Upon Appropriation and Expenditure of Money - Certificate of Fiscal Officer

- (D)(1) provides that no orders or contracts involving the expenditure of money are to be made unless there is attached thereto a certificate of the fiscal officer certifying that the amount required meet the obligation or, the case of continuing contract to be performed in whole or in part in an ensuing fiscal year, the amount required to meet the obligation in the fiscal year in which the contract is made has been lawfully appropriated and is in the treasury
- Exceptions:
 - **“Then and Now” certificates** – if the chief fiscal officer can certify both at the time the contract or order was made (then) and at the time the fiscal officer is completing the certification (now), that sufficient funds were available or in the process of collections, to the credit of a proper fund, properly appropriated and free from any previous encumbrance, the Board of County Commissioners can authorize the drawing of a warrant for the payment of the amount due. The BCC has thirty days from the receipt of the “then and now” certificate to approve payment by ordinance or resolution.

State Auditor Potential Deficiencies



- 3 of 6 Purchase Orders reviewed by the State Auditor were situations where the requisition was entered after the goods/service were received
 - This is a typical Lucas County procedure that we need to correct



Procure to Pay Process





Encumbering Funds

- All purchases require a purchase order (PO).
- The requisition **MUST** be entered **AND** the PO **MUST** be issued before a purchase is made.
- All requisitions are budget checked to validate the availability of funds based on the accounting stream selected. No encumbrance is occurred at the requisition level; only fund validation.
- Requisitions that pass budget check must be submitted and forwarded to the requestors set approval path and then to Support Services. The following agencies bypass Support Services: 911 RCOG, BOE, BDD, CSB, LCEPC, MHR SB, TLCHD, Olander Park
- Purchase Order is created and the funds are encumbered



Then and Now (TAN) Certification

A "then and now" scenario occurs when the invoice or receipt pre-dates the time the requisition/PO is created. As the Commissioners Purchasing Policy states, "the PO must be issued and certified **BEFORE** an order is placed with a supplier". When the funds are unofficially obligated toward that purchase, but before the Auditors certification is placed on that Purchase Order, this triggers a "then and now" scenario, which now means that purchase must be approved by the County Commissioners within 30 days.

What does that mean?

- If a purchase is made before a requisition and PO are created, it creates a "Then and Now" scenario.
- It is easy to identify when a Then and Now Certification is needed.
 - When entering a requisition is the documentation a receipt or an invoice?
 - If the answer is yes:
 - Purchases that are made without the Auditor's Certificate are void as a matter of law and create a "Then and Now" situation.
 - "Then and Now" situations can only occur if the BCC approves the purchase by resolution.

What May Trigger Then and Now (TAN)

When placing an order, whether online, or over the phone, there must be some type of documentation received to attach to a requisition (i.e. quote, print out of your cart, email from the supplier)

- Purchase of Business Cards
- Monthly invoices
 - Phone, cable, water, copy machine charges
- ODP through website not through the punchout in Oracle
- Even if the BCC passes a resolution approving a contract or award and the requisition is not created before receiving the goods or service
- Having a Contract Purchase Agreement (CPA) will not prevent a “then and now”



Identifying “Then and Now” During Requisition Entry


- How to identify a Then and Now when entering the requisition
 - When entering the requisition, when entering the description in the description box it should start with TAN (Then and Now) and then the description
- The Agencies and Department's are responsible for identifying a Then and Now when entering the requisition.

Enter Requisition Line ?

* Line Type

Item

Revision

* Item Description 

* Category Name

* Quantity



Preventing “Then and Now” Scenarios

- Enter the requisition **AND** ensure the PO is issued **BEFORE** placing the order with the supplier
 - i.e. when ordering through the website for ODP, print off your cart and enter the requisition before submitting the order
- Enter the requisition using the new [Requisition/PO Request Form](#)
- Enter requisition from a quote, confirmation email, order form
- Blanket Purchase Orders – process to ensure funds are encumbered and allocated for goods and services

Requisition/PO Request Form



Lucas County Requisition/Purchase Order Request

Date:

Department:

Department Contact:

Supplier:

Item Description:

Funding Stream:

Purchase Order Amount:

Approval:

Sole Source Letter, State Contract Information, Resolution, LCIS Checklist, Order Forms and Quotes must be attached to Requisition if applicable.



Process for Obtaining Then and Now Certification

- Support Services will run a monthly report to identify the Then and Nows and present to the Board of County Commissioner an approval resolution with a spreadsheet with all “Then and Now” scenarios that require certification.
- The BCC has 30 days from the date the requisition was created to certify “Then and Now” to comply with the Ohio Revised Code
- This process will not slow down the requisition being processed into a purchase order.



Q&A