

TEXTILE CARE MANAGEMENT REPORT (RCN 10-0132)

1. PURPOSE: This Veterans Health Administration (VHA) Handbook provides policy and reporting requirements concerning textile management costs attributed to the procurement and distribution of textiles and the processing and/or production of laundry. *NOTE: This report assists managers by developing comparative data supporting the development of business plans and other management initiatives.*

2. SUMMARY OF MAJOR CHANGES: The stated requirements of M-1, Part VII, Chapter 7, Textile Services, Paragraphs 7.08, 7.09, 7.10 and 7.11 are being deleted. This Handbook documents the revision of the Textile Inventory Control Report (Reports Control Number (RCN) 10-0132) and the addition of the Textile Distribution and Inventory Cost Report (App. A) and the Textile Care Production Information and Cost Report (App. B). The latter document is to be submitted only by textile care processing facilities or those utilizing contracted services. This revision of data collection is based upon a 100 percent line-item inventory control survey to be conducted during the first quarter of each Fiscal Year (FY) for the previous FY. The FY 2001 report is due 30 days after the issuance of this Handbook. Subsequent reports will be due not later than January 31. These reports are to be forwarded through official channels to the Director, Environmental Programs Service (181C), Department of Veterans Affairs (VA) Central Office.

3. RELATED ISSUES: M-1, Part VII, Chapter 7

4. FOLLOW-UP RESPONSIBILITY: The Chief Facilities Management Officer (18) is responsible for the content of this Handbook. Questions concerning this Handbook may be directed to the Director, Environmental Programs Service (181C) at (202) 565-8525.

5. RESCISSIONS: M-1, Part VII, Chapter 7, paragraphs 7.08, Textile Management and Control Responsibilities, 7.09 Textile Management Guidelines, 7.10 Textile Control Guidelines, and 7.11 Guidelines for the Textile Inventory Control Report, Reports Control Symbol (RCS) 10-0132, (VA Form 10-9036), dated March 24, 1994, are rescinded.

6. RECERTIFICATION: This document is scheduled for recertification on or before the last working day of July 2007.

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Under Secretary for Health

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1. PURPOSE

This Veterans Health Administration (VHA) Handbook provides the scope and reporting requirements concerning textile management costs attributed to the procurement and distribution of textiles and the processing and/or production of laundry.

2. BACKGROUND

a. In 1982, requirements for conducting local and national textile inventories were annotated in M-1, Part VII, Chapters 6 and 7. Later revisions applicable to this reporting requirement were updated routinely through 1991.

b. National textile inventory reports were published to the field via Information Letter from 1983 through 1997. As a result of these inventories textile management was improved, resulting in more comprehensive inventory management at local facilities.

c. In 1999, the General Accounting Office (GAO) issued report B-283006 and in 2000 GAO issued phase II of that report (Code 406201), which revealed some inconsistencies in definition and the calculation of textile management. The final report, #GAO-01-61, recommended a systematic assessment to reduce costs while maintaining quality. Those findings and recommendations have contributed to the redefinition of this recurring report.

3. SCOPE

This Handbook documents the revision of Department of Veterans Affairs (VA) Form 10-9036, Textile Inventory Control Report (Report Control Number (RCN) 10-0132) and the addition of the Textile Distribution and Inventory Cost Report (see App. A) and the Textile Care Production Information and Cost Report (see App. B), to be submitted only by textile care processing facilities or those utilizing contracted services. This revision of data collection is based upon a 100 percent line-item inventory control survey to be conducted during the first quarter of each Fiscal Year (FY) for the previous FY. The report will be completed not later than December 31. The FY 2001 report is due 30 days after the issuance of this Handbook. Subsequent reports will be due not later than January 31. These reports are to be forwarded through official channels to the Director, Environmental Programs Service (181C), VA Central Office.

4. RESPONSIBILITIES

a. The VHA facility Director, or designee, is responsible for:

(1) Implementing and managing the continued provisions of M-1, Part VII in its entirety, as well as the requirements of this Handbook. **NOTE:** *The reports will be either mailed or faxed through each Veterans Integrated Service Network (VISN) office to the Director, Environmental Programs Service (181C), VA Central Office, 810 Vermont Avenue, NW, Washington, 20420, or fax to: 202-565-4283.*

(2) Preparing and submitting VA Form 10-9036 (dated December 1990), which must include 100 percent of all textile line items processed, the Textile Distribution and Inventory Cost Report (App. A), and the Textile Care Production Information and Cost Report (App. B), to be submitted only by textile care processing facilities or those utilizing contracted services.

NOTE: Previous report forms are to be discarded.

(3) Ensuring that Government-owned Contractor-operated (GOCO) and Contractor-owned Contractor-operated (COCO) textile processing facilities complete and submit a report through the facility responsible for contract management using the sample format contained in Appendix B. *NOTE: This requirement must be included as part of the contractor performance requirements.*

b. The Textile Control Officer (TCO) is responsible for textile management, which includes the guidelines (see par. 5) and required reports. The review and analysis of all collected data is used to evaluate the status of the textile management and control functions. It is the responsibility of the TCO to develop a local policy documenting the system used to enable the TCO to recognize and assess the degree of out-of-line situations.

c. The Chief Facilities Management Officer (18) is responsible for report assimilation and the development and distribution of an annual report during the second quarter of each FY. The goal of the report is to assist field and corporate managers in appraising comparative data, and in supporting the development of market-based business plans and other management initiatives.

5. TEXTILE MANAGEMENT GUIDELINES

a. The TCO is responsible for:

(1) Implementation of an effective textile management plan that meets the needs of the medical center, and manages the textile inventory in an economical and efficient manner. Supervisory personnel and service employees need to be motivated and trained to properly accomplish their respective duties.

(2) Visiting the using units at regular intervals to discuss problems and plan textile service improvements. *NOTE: These visits need to occur as often as possible at medical centers with large patient workloads and/or where problems in textile use occur.*

(3) Carefully reviewing the active textile inventory needs to determine if unusual situations exist that may require a larger par level.

(4) Textile management record keeping.

b. Each medical center's textile management plan needs to include the following primary objectives:

(1) Implementation of a workable textile distribution system.

(2) Implementation of a reliable record keeping system.

- (3) Development of working relationships with using services.
- (4) Education of service employees.
- (5) Achievement of administration support through effective planning and coordination.
- (6) Establishment of optimum par levels that directly relate to patient care needs.
- (7) Maintenance of the established textile par levels through effective textile management.

c. A medical center's active textile inventory level is based upon the:

- (1) Type of patients;
- (2) Medical Specialty Program;
- (3) Type of textile service;
- (4) Length of time needed to collect and deliver textiles;
- (5) Textile Care Processing Facility (TCPF) turnaround time; and
- (6) Any other pertinent factors, such as, use of uniform and protective clothing valet systems.

d. The use of disposable textiles in lieu of reusable textiles must be fully justified by means of a cost and/or benefit analysis.

e. Par is the term used to describe the quantity of each textile item needed in circulation for a 24-hour period. The quantity of each item required in circulation (par level) is directly related to linen usage, losses, processing locations and storage locations.

f. Par level is a term for the number of pieces of each item needed per bed, per patient day times the number of occupied beds served, times the number of locations the textile item is stored, used, and processed.

g. The par level should be sufficient to maintain productivity and to preclude linen shortage at the using unit.

h. One par level (24-hour supply) is normally needed for each of the following stages of the textile service cycle:

(1) Textile Care Processing Facility Related

- (a) Soiled transport and/or receiving,
- (b) Soiled sorting and/or wash,

- (c) Drying, conditioning and/or finishing, and
- (d) Stored Inventory for Distribution.

(2) Medical Center Related

- (a) Cart or shelf,
- (b) Bed or room,
- (c) Soiled Holding, and
- (d) Collection and/or transport.

i. The eight locations represent eight par. The par level determines the beginning inventory for each piece.

j. The inventory of textiles will directly affect the:

- (1) Number of processes,
- (2) Availability,
- (3) Life expectancy, and
- (4) Cost of each piece.

k. Changes are to be adjusted by the:

- (1) Number of active beds,
- (2) Turn-over rate,
- (3) Level of service or acuity,
- (4) Delivery system,
- (5) Ambulatory care workload, and
- (6) Special emphasis programs and/or research.

l. The level of customer service, or patient acuity, is of prime importance because it determines the volume of each piece washed per day and directly affects pounds per adjusted patient days, outpatient visits, and total poundage.

m. Textile management record keeping must be accurate and account for the textile inventory in each stage of the textile service cycle. The annual textile inventory is used to validate textile management records. TCPF textile reserves, supply requisitions, and deliveries need to be accounted for by this record keeping system. *NOTE: Textile Management Software Systems which meet the requirements of this Handbook are available; their use to provide reports and for management control is strongly recommended.*

n. The textile inventory budget and textile requisition mechanisms needs to be adjunct to textile record keeping systems maintained by the TCO.

6. TEXTILE CONTROL GUIDELINES

a. The TCO is responsible for implementation of effective textile controls, which meet the needs of the medical center. The textile security policies and procedures used are to be coordinated with all using services, and the medical center police unit.

b. The TCO must develop a close, cooperative relationship with the medical center police and security force to ensure that textile control procedures properly interface with police security procedures, and that suspicious losses or conditions receive prompt investigation.

c. Textile control must include, but is not limited to, the following security procedures:

(1) All textile storage areas and vehicles are to be locked and access is to be controlled.

(2) Only one 24-hour supply (one par) is to be kept in storage for each using unit.

(3) Prior to distribution, textile items must be permanently marked on an easily visible location, as follows:

VA PROPERTY
NOT FOR SALE

(4) All clean textile delivery carts are to be clearly labeled as to their destinations, and must be delivered directly to the designated textile drop point for each using unit.

(5) The clean textile cart must be attended by designated employees until secured at the using unit.

(6) It is required that each cart and/or ward storage area include a copy of the textile quota for the using units.

(7) Carts utilized by an automated delivery system must be enclosed and need to have a provision for locking the contents for safekeeping.

d. The TCO representative needs to meet at least quarterly with local users to discuss refinement of textile levels, improved service procedures, and improved textile control

procedures. The objective is to optimize service to the using services and minimize textile misuse.

e. TCOs are encouraged to consider implementing innovative approaches to textile security, such as electronic textile security systems and/or video surveillance.

f. If a laundry is providing service to another VHA health care facility, a written laundry consolidation agreement must be in place that addresses:

- (1) Emergency contingency planning;
- (2) Adjustable linen quotas based on demonstrated need, e.g., patient activity;
- (3) Cost transfer methodology and process;
- (4) Linen control responsibility documentation; and
- (5) Routine (at least annually) customer service visits to the recipient facilities by the Textile Care Manager or representative.

7. TEXTILE INVENTORY CONTROL REPORT, RCN 10-0132 GUIDELINES

a. Textile Inventory Control Report (RCN 10-0132) data is based upon an inventory control survey to be conducted during the first quarter of each Fiscal Year (FY) for the previous FY. The report must be completed not later than December 31. The FY 2001 report is due 30 days after issuance of this Handbook. Subsequent reports will be due not later than January 31. These reports are to be forwarded through official channels to the Director, Environmental Programs Service (181C), VA Central Office.

b. The data submitted is to be based upon the contents of documented (auditable) textile management records and effective survey procedures. The surveys will be conducted within a single 24-hour period. TCO must submit an RCS 10-0132 and document which medical centers are included in each annual report.

c. Once the Beginning Inventory has been established, the following formula should be used to determine Unexplained Disappearance and/or Appearance of textiles:

- (1) Abbreviations and definitions of the inventory variables are:
 - (a) BI = Beginning Inventory (or previous count).
 - (b) NTR = New Textiles Received (and entered into the inventory).
 - (c) FW&T = Fair Wear and Tear.
 - (d) UD = Unexplained Disappearance.

(e) UA = Unexplained Appearance.

(f) EI = Ending Inventory (actual count).

(2) Formula for determining UD: $BI + NTR - FW\&T - EI = UD/UA$.

d. The TCO must review and analyze data to determine its validity and evaluate the status of the textile management and control functions. This evaluation should identify the priority of need, i.e., short-term actions and long-term direction for future objectives for improved operations. Positive (+) UD values generally indicate a lack of linen control, e.g., loss or misuse, or it may indicate problems with record keeping, as well as inventory methods. Ironically, a negative (-) value or UA is likely to also be indicative of inaccurate record keeping and inventory methods. In any case, a negative UA, will require an adjustment increase to the current EI and next BI.

e. The data and summary factors of the Textile Inventory Control Report (RCN 10-0132) are to work in conjunction with the Textile Distribution and Inventory Cost Report (Appendix A) and the Textile Care Production Information and Cost Report (Appendix B). That information when integrated with a 100 percent line-item inventory will enable the TCO to pinpoint the most prevalent items comprising UD and/or UA, and appropriate actions and objectives can be determined.

**SAMPLE FORMAT FOR THE
TEXTILE DISTRIBUTION AND INVENTORY COST REPORT**

(to be submitted by all health care facilities)

1. FISCAL YEAR _____

2. FACILITY NUMBER _____

3. FACILITY NAME _____

4. POINT OF CONTACT _____

 Telephone number _____

 E-mail address _____

5. Total value of the current textile inventory **purchased** by your facility. _____

NOTE: Dollar value of total textile inventory, e.g., bed linens, surgery textiles, towels, bed pads, patient apparel, uniforms, and specialty linen items. Exclude those items purchased by other entities.

6. Textile replacement cost for this report period. _____

NOTE: Annual cost (Cost Center 8571, Sub Accounts 2665/2666) to replace any item within the textile inventory.

7. Total unexplained loss of textiles in dollar amount. _____

NOTE: Based on inventory results, determine the value of losses that cannot be accounted for through fair wear and tear, report of survey, or other documented process.

8. Total clean weight of textiles delivered. _____

NOTE: Actual weights or piece-count-conversion to weight – deduct the weight of items returned if exchange system is used.

9. Total number of pieces issued. _____

NOTE: Deduct the number of items returned if exchange system is used.

10. Total Linen Distribution Employee man-hours worked. _____

NOTE: Labor hours (Cost Center 8571) worked associated with management, administration, receipt, and distribution of textiles for using units.

11. Total Linen Distribution Employee man-hours paid. _____

NOTE: Labor hours (Cost Center 8571) paid for functions as listed in item 10 above.

12. Internal Transportation Cost. _____

NOTE: Cost for transporting linen, uniforms, patients clothing, and/or special items, etc. between a distribution center and the using unit(s).

**SAMPLE FORMAT FOR THE
TEXTILE CARE PRODUCTION INFORMATION AND COST REPORT**

(to be submitted only by textile care processing facilities)

1. FISCAL YEAR _____

2. FACILITY NUMBER _____

3. FACILITY NAME _____

4. POINT OF CONTACT _____

 Telephone number _____

 E-mail address _____

5. Identify type of textile care operation: Government-owned Government-operated (GOGO), Government-owned Contractor-operated (GOCO), Contractor-owned Contractor-operated (COCO). **NOTE:** *Underline all that apply.*

6. Soiled pounds (all customers) laundered. _____

NOTE: *Pounds processed, including Department of Defense, other government and state agencies, private sector, etc.*

7. Total Textile Care Processing Employee man-hours worked. _____

NOTE: *Labor hours (Cost Center 8570) worked associated with receipt, sorting, washing, drying, folding, ironing and preparing "bulk" textiles for delivery.*

8. Total Textile Care Processing Employee man-hours paid. _____

NOTE: *Labor hours (Cost Center 8570) paid for functions as listed in item 7 above.*

9. Total Textile Care Administrative Employee man-hours worked. _____

Note: Labor hours (Cost Center 8570) worked associated with management, administrative, supervisor, clerical.

10. Total Textile Care Administrative Employee man-hours paid. _____

NOTE: *Administrative hours (Cost Center 8570) paid for functions as listed in preceding item 9.*

11. Textile processing cost.

a. Water and/or sewer _____

b. Electricity _____

c. Steam _____

d. Gas and/or Oil _____

e. Solar and/or Geothermal _____

f. Maintenance and Repair _____

NOTE: Cost associated with the preventative and initial maintenance and repair of laundry equipment by contract or by in-house operation, and ancillary laundry support systems. Do not report maintenance performed by laundry production personnel, e.g., cleaning, equipment moving, pads, belts and/or ribbon replacement.

g. General supply (Cost Centers 8570/2660) _____

NOTE: Tapes, ribbons, pads, hangers, bags, cleaning supplies, etc.

h. Chemical supply (Cost Centers 8570/2660) _____

12. Total facility utility cost. _____

13. The total cost per pound to process (in-house or contract) textiles, excluding transportation and textile replacement cost. _____

NOTE 1: Textile Care Processing costs are those costs associated with plant operations, administration and management, receiving soiled textiles into a processing facility, sorting, washing, drying, folding and moving textiles to location(s) where either bulk or delivery make-up carts are assembled. These costs include: contract labor, government labor with and without benefits, utilities, maintenance and repair, and general supplies. Divide these costs by the total soiled pounds processed annually and report as a cost per pound. NOTE 2: Depreciation costs for real property and/or equipment is not included in this cost per pound result – the intent is to define operating cost.

14. Total operating cost of in-house or contract transportation. _____

NOTE: Cost of in-house labor or contract expense to include equipment, fuel, maintenance, and leasing.

15. Total cost-per-mile to transport textiles from the processing facility to customers and return soiled textiles. _____

NOTE: Cost of in-house labor or contract expense to include equipment, fuel, maintenance, and leasing divided by total miles traveled.

16. Identify customers, e.g., Department of Veterans Affairs (VA) medical centers, Independent Outpatient Clinics (IOCs), Department of Defense (DOD), or private sector customers and annual revenues resulting from Textile provision services.

NOTE: Facility identification numbers should be included for Veterans Health Administration (VHA) integration customers, location and organization for non-VA customers. (Add additional sheets if necessary)

