



## **PURCHASE REQUISITIONS, PURCHASE ORDERS, And UNAUTHORIZED PURCHASES**

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### **I PURCHASE REQUISITION**

A Purchase Requisition is used to initiate the procurement of all supplies, equipment and services, which are not available from within the College community. It originates in the User Department (Requisitioner), where all required approvals are obtained and forwarded to the Purchasing Department where it becomes the basis for the approved **Purchase Order**. A Purchase Requisition is **NOT** a contract document between the College and the Vendor, therefore, it cannot be faxed or otherwise delivered to Vendors as authority to deliver goods and services. Final commitment and notice to proceed under an approved purchase requisition will be in the form of an **authorized FIT Purchase Order (PO)**.

On rare occasions, there may be a need to purchase materials on a rush basis not related to matters involving health and safety. This may also apply to unique equipment service and repairs for equipment not covered under a maintenance contract. Contact the Purchasing Department immediately regarding the request and concurrently, execute a purchase requisition including proper signature authorizations to support the expenditure.

Certain payments may be processed with a **Voucher Requisition** and submission of an **Accounts Payable Voucher Authorization Form** directly to the Accounts Payable office. Payments permissible in this category are listed under **Accounts Payable Voucher Payments Guidelines**.

1. Preparing the Requisition – *Refer to the IFAS-PO Requisition Training Guide*

**The following basic information must be entered before the requisition can be processed by the Purchasing Department:**

- **Suggested Vendor and PEID (Vendor ID) if known.** If a source is not known, the Purchasing Department will locate a source for the materials/service required.
- **Notes.** Utilize this field by informing the Purchasing Department of any information related to the requisition (vendor information, unique instructions, etc).
- **“End Use”/Delivery Information** to which delivery should be made by the Receiving Department.
- **Account Code Information** – Cost Center and Object Code.
- **Requisition Line Detail.** Full description of item(s) to be purchased. Include quantity of items and units of measure (each, dozen, etc.) Include catalog numbers, model numbers, size, color, finish, weight, account numbers, contract or agreement numbers, if applicable.

- **Cost** (may be estimated). The Purchasing Department will adjust prices as necessary, but significant deviations will be initially discussed with the Requisitioner prior to commitment of orders.
- **All required approval signatures.**
- **Supporting documents.** If estimates, quotations, proposals or agreements have been obtained by the Requisitioner, it should accompany the requisition. No commitment may be made except by the Purchasing Department .

Avoid problems in preparing the requisition. Because the requisition serves as the purchase description or specification used in selecting a Vendor and obtaining the required goods and services, a number of difficulties can be avoided by following the procedures described.

PURCHASE REQUESTS SUBMITTED WITHOUT ALL REQUIRED INFORMATION OR ENTERED INCORRECTLY INTO THE IFAS SYSTEM WILL BE RETURNED.

## II PURCHASE ORDERS

A Purchase Order (PO) is an agreement used to place orders with Vendors for all materials, parts, supplies, equipment and services. The PO is first and foremost a standard contract document, which on its face contains the purchase description and delivery requirements and attached, all the standard contract terms and conditions for the purchase. The PO is issued from the Purchasing Department.

The Purchasing Department will consult with the Requisitioner and determine the type of PO appropriate to the IFAS system. The three (3) types of POs are:

- Standard PO [P]
- Contract PO [C]
- Blanket PO [B]

1. Standard PO [P] – An order describing specific quantities of goods with delivery to the Receiving Dock. Upon system notification of receipt of goods by the Receiving Department, the Accounts Payable department will initiate the payment upon receipt of a Vendor’s invoice.

On occasion, a Vendor may require an order with advance payment. In light of standard commercial practices, prepayments are generally allowed for: *books, software licensing agreements, software upgrades, equipment maintenance, small dollar order due to a fulfillment of a minimum dollar, unestablished credit with vendor and honorariums (speakers/guest lecturers).*

2. Contract PO [C] - An order issued to a Vendor for ongoing monthly expenditures (*utilities, lease payments, network infrastructure maintenance, telecommunications services, on-line information services, web hosting, etc.*), identified services (*courier services, A/E services, construction, professional consulting services, legal services, Bursar’s collection services, advertising*

*campaigns for recruitment, graphic identity campaign, web design, etc.)* or goods over a period of time for cost established by a formal contract or bid. Receiving is typically not required. An authorized individual designated to project manage and be accountable for the services will be responsible to review all original invoices in connection with the services and authorize full or partial payments for services performed or goods received. Approved invoices may be submitted with the Contract/Blanket PO Payment Log weekly, bi-monthly, monthly or quarterly to the Accounts Payable Department with appropriate documentation and authorization.

3. Blanket PO [B] – An order issued to a Vendor for an allocated ‘not to exceed’ amount for a period of time (fiscal year) where description of goods or services are not identified in detail and no formal contract or bid exists between the College and the Vendor. Goods and services may be ordered with the assigned Blanket PO number. Goods are generally delivered to the Receiving Department. All Blanket POs are subject to be reviewed for summary of activities by the Purchasing Department to determine future bid opportunities and establishment of contract where appropriate. Approved invoices may be submitted with the Contract/Blanket PO Payment Log weekly, bi-monthly, monthly or quarterly to the Accounts Payable Department with appropriate documentation and authorization.

*Types of Blanket PO s – cellular phone accounts, interpreting services, photographic processing services; miscellaneous art supplies; specialized classroom equipment repairs; water cooler rentals, library books; FIT College Shop; goods requiring installation services; Buildings and Grounds operational, mechanical engineering supplies and services, Independent Contractors, etc.*

Departments will NOT receive a copy of a PO generated by the Purchasing Department. Requisitioners may access all PO detail in IFAS’ CDD Report: “Requisition/PO Status Report” in the User folder. This on-line report is available to check on status of the Requisition/PO/Receiving/Payment information. To obtain PO information, the User may drill down on the PO # assigned for full detail (description, discounts, special instructions to the Vendor, etc.).

### **III UNAUTHORIZED PURCHASES**

Individuals may not pre-commit college funds with Vendors without a PO. The College will **NOT** accept and pay invoices supporting any goods or services ordered without an authorized Purchase Order (PO). As a matter of College policy, Vendors are cautioned against making a delivery or performing a service for the College without having an authorized Purchase Order (PO). **Unless a Purchase Order is issued, no contract exists between the Vendor and the College.** The Vendor must assume the responsibility for payment of these goods or services by collection directly from the requesting individual and the College reserves the right to delay or withhold payment related to any order placed by an individual without proper authorization.

Unauthorized purchases are serious violations that could lead to duplication of purchases, rejection of delivery, delayed payments for the vendor and other sanctions. There are alternate methods of procurement and procedures in place (Petty Cash, Out of Pocket Expenses, Blanket PO s, payments permissible through A/P Voucher Authorization Request) to facilitate urgent requests. **More importantly, the Department Head/Dean/VP has not had a chance to approve the budget for these expenditures and it defeats the purpose of the College's internal controls.**

If a voucher request or purchase requisition is accompanied by an invoice for payment and determined by the Controller's Office or the Purchasing Department to be an unauthorized purchase, it will **not** be processed and re-routed to the Department's Vice President or Designee for justification and final approval.