

Procurement Handbook

for

Faculty, Staff and Suppliers

of

***The University of Texas Health Science Center at
Houston***

Introduction

Purpose

This guide is meant to be a resource for all employees involved directly or indirectly with the acquisition of goods and services for the department in which they work. The guide will provide assistance with most issues that you will encounter, but if questions arise please contact Procurement Services.

Suppliers and prospective suppliers will find useful information on how to do business with The University of Texas Health Science Center at Houston (“UTHSC-H”) and find key information regarding posting of bid opportunities, vendor debarment, purchasing processes and payment guidelines.

Comments or suggestions regarding this guide should be directed to Procurement Services.

Hours of Operation

Procurement Services staff follows a standard work schedule of Monday through Friday from 8:00 am to 5:00 pm. On days designated by the UTHSC-H as “skeleton days,” Procurement Services provides staff to support all operating areas.

Contact Information

Procurement Services provides a single phone number, (713) 500-4700, which is answered during operating hours without use of an automated attendant. Individual telephone numbers for Procurement Services staff can be accessed through the UTHSC-H directory (<http://peopledirectory.uth.tmc.edu/peopledirectory/index.jsp>) or the Procurement Services website (<http://buy.uth.tmc.edu/contactus.htm>).

Organization

Procurement Services is organized into four operating areas:

- Purchasing
 - Central Purchasing
 - Transaction Processing
 - Medical School
 - Facilities
 - Shipping & Receiving
- Accounts Payable & Disbursements
- Administration
 - Vendor File Maintenance
 - BuyCard Program
 - Records Retention
- HUB & Small Business Program

The organization chart is available at http://buy.uth.tmc.edu/images/org_chart.pdf.

Mission Statement

Procurement Services will advance the UTHSC-H strategic objectives with timely acquisition of quality goods and services through:

- Ethical procurement practices
- Development of skilled procurement expertise and implementation of “best practice” processes
- Continuously providing the UTHSC-H community with current procurement policies and procedures with consistent application to ensure appropriate stewardship of public funds
- Diligent pursuit of fair and equitable competition ensuring maximum opportunities for participation of historically underutilized and small businesses
- Effective value-added partnerships with our internal customers, as well as our valued external suppliers
- Reliably managing all transactions effectively and consistently from purchasing through payment

Resources

Procurement Services maintains the following resources to assist faculty, staff and suppliers in the acquisition of goods and services for the UTHSC-H.

- Procurement Website
 - Procedures
 - Forms
 - Program Information and Guidelines
 - BuyCard Program
 - HUB & Small Business Program
 - UT Supply Mall
 - eShip Global
 - Contact Information
 - Posted Bid Opportunities (http://buy.uth.tmc.edu/bid_list.htm)
 - Special Notices
- UT Supply Mall – Located in the basement of the Medical School, the Supply Mall is a centralized, self-service storeroom for laboratory consumable supplies. Supplies are kept in freezers, refrigerators and dry goods cabinets which users are able to access with a username and password. Fourteen suppliers maintain inventory that is on consignment to the UTHSC-H. User transactions in the Supply Mall are recorded for proper charge of the expense and payment to the supplier. More information is available at http://buy.uth.tmc.edu/supply_mall.htm.

- eShip Global – This online utility provides users with the ability to create shipping documents for express freight requirements. Users can select the carrier and type of service required and print their shipping documents. The system allows users to maintain individual shipping lists, track their shipments and manage their costs. More information is available at <http://buy.uth.tmc.edu/eship.htm>.
- BuyCard Program – The UTHSC-H will provide employees a Master Card issued by Chase Bank as a means of facilitating the acquisition of small dollar goods and services. The single purchase dollar limit is set at \$2,000, with daily and monthly limits set based upon individual users purchasing requirements. More information is available at <http://buy.uth.tmc.edu/buycard.htm>.
- HUB & Small Business Program – It is the policy of UTHSC-H to promote full and equal opportunity for all businesses to supply the goods and services needed to support the mission of the UTHSC-H. UTHSC-H is committed to making a good faith effort to increase purchases from and contract awards to Historically Underutilized Business (HUB) firms consistent with the State's goals for HUB participation and overall economic development. UTHSC-H also supports providing small businesses with opportunities through the Small Business Program managed by the Small Business Administration (SBA) of the federal government. More information is available at <http://buy.uth.tmc.edu/hub.htm>.
- Purchases from Persons with Disabilities – UTHSC-H is required to support the State's efforts to gainfully employ persons with disabilities. UTHSC-H must give first consideration to goods and services provided by persons with disabilities. Products and services offered by the Texas Industries for the Blind and Handicapped (TIBH) are listed on the [TIBH Online Catalog](#).

TIBH offers these products and services through State of Texas contracts. UTHSC-H must check their pricing and availability. However, if these goods do not meet best value criteria, that failure is justification to buy the products from the commercial marketplace.

Key Procurement Policies

Authority to Obligate

The Purchasing Department is delegated their authority to purchase for the organization from the President of the UTHSC-H. With the systems and controls currently in place, the Purchasing Department authorizes individual departments to purchase goods and services up to but not exceeding \$5,000. Inherent in this authorization is the requirement that the departments enter requisitions into the

financial system that result in the issuance of a purchase order to the supplier or that result in the recording of a transaction using a BuyCard. Failure to follow proper procedures will require the user to fully explain the non-compliance prior to payment of an invoice.

The entry of the requisition and the ultimate creation of a purchase order “encumbers” the funds in the financial system assuring that funds are available to pay for the goods or services. For faculty or staff to obligate the UTHSC-H in excess of \$5,000 is a violation of this authority and places an increased and substantial risk with the suppliers that provide goods and services in good faith.

Suppliers should not provide goods and services to the UTHSC-H unless they have received a legitimate purchase order or a valid UTHSC-H procurement card number.

The splitting of a purchase into two or more separate orders in order to circumvent the \$5,000 department purchasing authority is a violation of rules established by the UT Board of Regents, UT System and the UTHSC-H. The splitting of orders is a violation of purchasing policy and individuals engaged in this activity may have sanctions placed on their purchasing authority or have such activity reported to the Office of Legal Affairs and Institutional Compliance for investigation and action.

Authority to Sign Contracts

The authority to sign any contract for the purchase of goods and services is delegated to the Purchasing Department and select additional individuals from the President of the University. Individuals within departments do not generally have the authority to sign contracts on behalf of UTHSC-H for the acquisition of goods and services. If you have a question regarding a contract that a supplier has sent for signature, contact the Purchasing Department.

Purchasing Ethics

As the recipient and custodian of public and private funds, UTHSC-H is especially concerned with the ethical procurement of goods and services, and requires that its faculty and staff request and acquire goods and services in the most ethical manner possible.

Employees of UTHSC-H may not solicit, demand, accept, or agree to accept any economic opportunity, future employment, gift, loan, gratuity, special discount, trip, favor, or service in connection with:

- approving, disapproving, recommending, or preparing any part of a program requirement or purchase request;
- influencing the content of any specification or procurement standard, rendering advice, investigation, audit, request for ruling, or claim;
- awarding a contract.

Any individual with a concern regarding a breach of ethics or a possible compliance issue should notify the UTHSC-H Chief Legal and Compliance Officer.

Conflict of Interest: Individuals who participate on teams to evaluate proposals that will result the award of contracts are required to sign a conflict of interest statement with regards to that specific solicitation. Individuals who are making a recommendation in support of a sole source justification are also required to sign a conflict of interest statement.

Gratuities: Suppliers or potential suppliers to UTHSC-H might offer individuals within the UTHSC-H a token of their appreciation for their business, their continued support, or perhaps even provide a “sample” of something. These offerings are considered gratuities and should be refused. Acceptance of such gifts creates the appearance of unfair advantage of one supplier over another and can place the individual and the UTHSC-H at risk and perhaps worsen the bargaining position of the UTHSC-H with the supplier.

Supplier Relations

Positive vendor relations are critical to the success of UTHSC-H. We have an obligation to our suppliers to provide fair opportunity to bid on business, honor contractual arrangements, work in good faith to resolve issues, and provide timely payment for all goods and services that have been provided.

Protest Procedures: Any actual or prospective bidder, offeror, or proposer who is aggrieved in connection with the solicitation, evaluation, or award of a contract by UTHSC-H, may file a formal protest with the Assistant Vice President for Procurement (“AVP”). Such protest must be in writing and received in the AVP’s office within 10 working days after such aggrieved person knows, or should have known, of the occurrence of the act or omission being protested.

- Written Determination to Proceed: If a protest meeting the requirements of these procedures is received, UTHSC-H shall not proceed further with the solicitation or with the award of a contract unless the Executive Vice President, Chief Operating and Financial Officer (“EVPCOFO”), after consultation with the using department and the AVP, makes a written determination that it is necessary to proceed with the solicitation or award a contract without delay to protect the best interests of UTHSC-H.
- Formal Protest: A formal protest must contain:
 - a specific identification of the statutory or regulatory provision(s) that the act or omission being complained of is alleged to have violated;

- a specific description of each act or omission alleged to be in violation of the statutory or regulatory provision(s) identified;
 - a statement of the relevant facts;
 - an identification of the issue or issues to be resolved; and
 - an argument and authorities in support of the protest.
- AVP Review: The AVP will attempt to settle and resolve the protest concerning the solicitation or award of a contract, prior to appeal to the EVPCOFO. The AVP may request additional information from the protesting party and the using department to help in the evaluation and resolution of the protest.
 - If the AVP determines no violation of rules or statutes occurred, the AVP shall inform the protesting party and the using department by letter that sets forth the reasons for the determination.
 - If the AVP determines that a violation of the rules or statutes has occurred in a case where a contract has not been awarded, the AVP shall inform the protesting party and the using department by letter that sets forth the reasons for the determination and the appropriate remedial action.
 - If the AVP determines that a violation of the rules or statutes has occurred in a case where a contract has been awarded, the AVP shall inform the protesting party and the using department by letter that sets forth the reasons for the determination and the appropriate remedial action, which may include ordering the contract void.
 - Appeal: The AVP's determination regarding a protest may be appealed by the protesting party to the EVPCOFO. An appeal of the AVP's determination must be in writing and must be received in the office of the EVPCOFO no later than 10 working days after the date of the AVP's determination.
 - Timely Filing of Protest and Appeal: Unless good cause for delay is shown or the EVPCOFO determines a protest or appeal raises issues significant to procurement practices or procedures, a protest or appeal not timely filed will not be considered.
 - Appeal Final: An appeal to the EVPCOFO shall be limited to review of the AVP's written determination of the protest. A decision issued in writing by the EVPCOFO shall be final.

Payment Terms: Texas Prompt Payment Act states the UTHSC-H has thirty days to pay from the latter of: 1) receipt of the invoice, 2) receipt of the goods, or 3) performance of the services. All invoices received in Accounts Payable are date and time stamped upon receipt. Payments will be made in accordance with the Texas Prompt Pay Act, Chapter 2251, Government Code. Suppliers

will be paid interest for certain payments that are late in accordance with the Texas Prompt Payment Act

Debarment: UTHSC-H cannot conduct business with suppliers who have been “debarred” by certain State and Federal agencies. There are multiple reasons why a supplier may be debarred.

Procurement Services verifies a new supplier’s standing with these agencies when setting them up in the vendor database. When issuing a purchase order that exceeds \$25,000 a check for supplier debarment is made prior to issuing the purchase order. Additionally, a process is in place to verify a random sample of all suppliers periodically.

A supplier who is known to be debarred at time of entry into the vendor database will not be entered. A supplier who is subsequently found to be debarred will be inactivated in the system. The supplier will not be reactivated until assurance has been received from the debarring agency that the supplier is currently in good standing.

It is the responsibility of the supplier to resolve any issue that has led to debarment. UTHSC-H employees may not directly contact state or federal agencies on behalf of a debarred supplier. Direct inquiries with these agencies for debarment status verification may only be made by designated managers within Finance and Business Services.

Records Retention

All records of purchase transactions including supporting documents such as packing slips, return to vendor authorizations, bid tabulations, award justification and communications must be retained for the period of time prescribed in UTHSC-H’s Records Retention Schedule in accordance with state law.

Individual departments are required to maintain records on all purchases that they have made under their authority to purchase up to and including \$5,000. Procurement Services is responsible for retaining records of purchases greater than \$5,000.

In the event of an Open Records Request or an audit, individual departments will be required to provide complete documentation for any purchase that has been made under their authority to purchase up to and including \$5,000..

Procurement Process

Requisition

A requisition is the beginning of the procurement process and is used to request a good or a service. The requisition does not create an official obligation on the part of UTHSC-H to an outside supplier. Requisitions require approval from the user's department administration and may require additional approvals based upon the type of good or service being purchased.

There are five types of requisitions:

Catalog Request: A *Catalog Request* is used to select items that are maintained in an electronic catalog. Users may search the UTHSC-H electronic catalog for commonly used items, add the items to a shopping cart, and check out. Suppliers who have high transaction volumes of purchases are asked to provide their offerings in the UTHSC-H electronic catalog.

Special Request: A *Special Request* provides a template for requisitioning items from vendors who do not maintain electronic catalogs. The templates require the user to enter the item number and description of the good or service as free text. The requisition should be filled out accurately and completely fully describing each item being purchased along with the quantity being ordered and the unit price.

Point of Sale: A *Point of Sale Request* is used to record purchases made with a procurement card. The transaction is entered "after the fact", that is, after the purchase has been made either through an in-store purchase, telephone order, or through an internet web site. Entry of the requisition pre-encumbers the funds and a purchase order is ultimately created to encumber the funds and allow for later reconciliation with the procurement card statement. Purchase orders created from *Point of Sale Requests* are not dispatched to the supplier as this would result in duplication of the order.

Internal Service Request: The *Internal Service Request* is used to order goods or services that are provided by an internal UTHSC-H service department. Examples include long distance charges, copy services and printing.

Travel & Consultant Request: The Travel & Consultant Request is used for employee travel and for payment of consultant expense and related travel. These requisitions are managed by the Employee Reimbursement Team which provides procedures that govern travel. (*Note: The term "consultant" in this context refers to guest lecturers and research collaborators being reimbursed for services and travel expenses less than \$14,000 per year.*)

Purchase Order

A purchase order (PO) is issued to a supplier to order goods or services. The purchase order is the official contract between UTHSC-H and the supplier. The purchase order binds the UTHSC-H and the supplier to specific terms and conditions, delivery location, billing location, delivery date, description, pricing, and terms of payment.

Purchase orders are created once the requisition has been electronically approved in the financial system. Approvals are managed by workflow and require department approval, as well as additional approvals for certain types of purchases.

Purchase orders created in the amount of \$5,000 or less are automatically dispatched to the supplier via email, fax, or XML. The method by which the order is dispatched is selected by the supplier and maintained within the financial system. The user should not telephone the supplier and provide the purchase order number as it will likely result in a duplication of the order. The creation and dispatch of these orders generally takes place within 2 hours of the final approval of the requisition.

Purchase orders created with amounts greater than \$5,000 are automatically routed to the Purchasing Department for review and subsequent processing. These purchase orders must be approved prior to dispatch by an individual who has been delegated the authority to obligate the amount of the purchase order.

Change Order

There may be instances where a change needs to be made to a purchase order after it has been dispatched to the supplier. The purpose of the Change Order is to communicate to the supplier that corrections or amendments have been made to the PO. Only the buyer of record on the purchase order may create a change order to the PO. *Changes made to quantity, amount, buyer, scope of work, or delivery schedule are not automatically dispatched to the supplier. The buyer will need to communicate these changes directly with the supplier.*

Receiving

At UTHSC-H, there are two ways in which goods are received: At the desktop and at Shipping and Receiving (Central Receiving).

If your package is delivered directly to you (Desktop delivery), it is your responsibility to process the receiving transaction and retain the packing list for the three (3) year period specified by UTHSC-H's **Records Retention Schedule**. The receiving transaction should be entered into the financial system within 48 hours of the physical receipt. Failure to enter the receiving transaction for an item requiring receiving is the primary reason for late payments to suppliers. Payments for purchase

orders requiring receiving cannot be made until a receiver is recorded into the financial system. Consistent late payments to a supplier negatively impacts the Purchasing Department's ability to negotiate better prices for the UTHSC-H overall, and subjects the department to interest on late payments.

Shipping and Receiving is responsible for receiving all UTHSC-H incoming shipments, **unless a different address and room number is specified**. Shipping and Receiving will deliver your overnight packages ([FedEx](#), [DHL](#) etc.) the same day they are received at our location, 6431 Fannin, B.324. All other packages will be delivered within 24 hours of receipt.

Shipping and Receiving will process and retain all required paperwork in accordance with UTHSC-H's **Records Retention Schedule for shipments received by Shipping and Receiving**. In addition, if your package is received in Shipping and Receiving, their staff will record the receiver in the financial system.

The University of Texas Health Science Center at Houston does not accept C.O.D. (cash on delivery) packages. If a C.O.D. shipment arrives in the Shipping and Receiving area, the department will be contacted and the individual that the package belongs to will have to pay the C.O.D. charges with cash or a personal check and then seek reimbursement. If a C.O.D. package is received and an individual does not pay the charges, the package is refused and the carrier will return to sender.

Return to Vendor

It may be necessary to return items you have purchased for credit or replacement. These returns could be the result of incorrect merchandise delivered, damaged merchandise, or any number of valid reasons. In these cases you should document the problem by processing a Return to Vendor (RTV) transaction. This transaction has no accounting or general ledger affect but is used to document the problem.

The department receiving the good is responsible for the coordination and the recording of the Return to Vendor both in the departmental files and in the financial system.

Invoice Entry and Payment

Accounts Payable & Disbursements' goal is to ensure timely and accurate processing of payments to UTHSC-H's suppliers while adhering to the UTHSC-H's policies and procedures, as well as maintaining compliance with applicable state and federal laws, rules and regulations, and UTHSC-H policies and procedures.

Suppliers should send invoices to Accounts Payable. The correct address for Accounts Payable is provided on the purchase order. Invoices received by other

departments must be immediately forwarded to Accounts Payable unless the invoice is to be paid on a Non-PO Voucher. Non-PO Vouchers are requests for issuance of a payment for an obligation that was not transacted using a purchase order.

Payment will be made to the supplier in accordance with the Texas Prompt Pay Act.

Competitive Procurement

Best Value

UTHSC-H is dedicated to providing a fair opportunity for all suppliers to bid or submit proposals and be awarded contracts for goods and services. Most contract award determinations are based upon “best value” to the UTHSC-H. Best value considers price, as well as other important factors that may include delivery, features, specifications, service levels, warranty, etc. When publishing bid and proposal opportunities for formal procurement, the suppliers will be made aware of the best value criteria that will be used and the relative weights of each criterion for bid and proposal scoring.

Sole Source Determination

If a faculty or staff member feels that there is only one supplier who is capable of supplying the good or service they require, they may submit a request to the Purchasing Department in accordance with the Sole Source procedure outlined in the *Purchasing Procedures Manual*.

The Purchasing Department will review the request to assure that the justification is valid and that only one supplier can provide the goods or services requested.

The individual who is writing the justification must also sign a conflict of interest statement.

If approved, the Buyer will write a statement to describe their due diligence that supports the justification and sign the request. The request will then be reviewed and approved by a manager within the Purchasing Department or the AVP, Procurement.

If the request is approved the contract or purchase order will be placed with the supplier. If the request is denied, it will be returned to individual who initiated the request.

Existing Contracts

Competitive bidding is not required if there is an existing contract in place for the good or service being requested.

Local Contracts: UTHSC-H enters into contracts for goods and services that are used routinely by departments within the university. These contracts cover such things as office supplies, architectural services, household goods moving services, housekeeping services, etc. A list of all local contracts can be found at <http://buy.uth.tmc.edu/Forms/LC%20Listing%20for%20Web%20Posting.pdf>.

State Contracts: There are a variety of contract that have been entered into by State agencies that can be accessed for our use in procuring goods and services. The Texas Multiple Award Schedule (TXMAS) and Department of Information Resources (DIR) are two sources of existing contracts available for use. Purchasing can assist in determining if there are existing State contracts in place.

UT System Supply Chain Alliance Contracts: The Supply Chain Alliance is a group purchasing organization that works on behalf of all UT components. Components can sign a participation agreement in order to access one of these contracts. Current contracts include laboratory equipment and laboratory consumables distribution.

Informal Procurement

For purchasing requests greater than \$5,000 and up to \$25,000 multiple bids, proposals, quotes, or offers are required for the purchase of goods and services. In this contract value range the requirement is for informal procurement and it is normal that a minimum of three bids, proposals, quotes or offers are evaluated. Informal bids proposals, quotes, or offers may be received via letter, fax or email. Bids, proposals, quotes, or offers obtained by departments must be forwarded to the Purchasing Department for processing. The Purchasing Department may solicit additional bids, proposals, quotes, or offers including those from Historically Underutilized Businesses (HUBs). Once a determination has been made to award the contract to a specific supplier, the Purchasing Department will issue a purchase order and a written contract (if necessary).

Formal Procurement

When the purchase request is expected to exceed \$25,000 formal procurement is required. The Purchasing Department primarily uses two methods for solicitation of formal bids, proposals, or offers:

- Invitation to Bid (ITB) – Award based on price and delivery
- Request for Proposal (RFP) – Award based on best value criteria

Suppliers will submit their sealed bids or proposals prior to a specified submission deadline in response to the instructions contained in the procurement solicitation. Procurement solicitations are publically posted on the Procurement Services web site.

The Purchasing Department will coordinate with the requesting department to develop a Scope of Work and complete set of specifications. The evaluation of RFP's is generally accomplished with a team of internal experts evaluating each supplier's proposal and scoring the responses relative to pre-established criteria. The recommendation for award by the team is sent to the AVP, Procurement for approval.

If the value of the contract is expected to exceed \$100,000 suppliers will be required to submit a HUB Subcontracting Plan in a separate sealed envelope. HUB subcontracting plans will be reviewed by the HUB Coordinator to verify that the plan is in compliance with State requirements. If the HUB Subcontracting Plan is rejected the supplier's proposal will not be opened. Instructions for submitting HUB Subcontracting Plans are located at <http://www.window.state.tx.us/procurement/prog/hub/hub-subcontracting-plan/>.

Formal Procurement Procedures are posted on the Procurement web site.

Purchasing Terminology

FOB – FOB stands for “Free on Board.” The free on board location in a contract determines where ownership of the goods pass from the supplier to the buyer. The FOB point is generally described as FOB Origin (shipping point) or FOB Destination (delivery point). It is preferable for purchases to be designated as FOB Destination so that the supplier is responsible for the goods until UTHSC-H signs for the goods. Freight claims for loss or damage are the responsibility of the party who has ownership. Freight carriers have up to 6 months to settle claims.

Indemnification – Indemnification is a clause that protects UTHSC-H and others from certain claims (legal actions) resulting from a purchase order or the goods or services provided to the UTHSC-H. An indemnification clause is contained within UTHSC-H's standard terms and conditions for all purchase orders, contracts and agreements issued by UTHSC-H.

Invoice – An invoice is a demand for payment issued by a supplier for the delivery of a good or service. Most invoices presented by suppliers should be for performance against a purchase order. Suppliers are instructed on the purchase order to submit their invoices to Accounts Payable and the address is provided. Departments who receive invoices related to purchase orders should immediately forward them to Accounts Payable for processing.

Point of Sale – Point of sale is the name of the requisition transaction that is entered into the financial system that records a procurement card purchase. This transaction records the obligation as an encumbrance and provides instruction for the appropriate funds to be expensed. The cardholder is required to reconcile their individual bank statement in the financial system to their recorded point of sale transactions on a monthly basis.

Procurement Card – The procurement card program was designed and implemented to allow cardholders to make direct small dollar purchases in a convenient way. The program at UTHSC-H is formally referred to as the *BuyCard Program*. Cardholders have a single transaction limit of \$2,000. Additional daily and monthly limits are set for each cardholder based upon need.

Purchase Order – A purchase order is a written contract between UTHSC-H and a supplier that describes what is being purchased, when and where it is to be delivered, what will be charged, where the invoice will be sent and when payment will be made. In addition, all purchase orders are subject to standard terms and conditions which are posted on the Procurement Services website at <http://buy.uth.tmc.edu/terms.htm>.

Amount Only Purchase Order – a purchase order that is issued when entering a receiver is not practical because the purchase order cannot be stated in terms of the “number of items”. Amount only purchase orders are generally issued for services that are to be paid upon completion of the service. Rather than enter a receiver into the financial system, the department will be asked to sign off on the invoice that the services being invoiced have been completed satisfactorily.

Receiver – A receiver is a transaction entered in the financial system that describes the items and quantity of each item that has been received on a purchase order. The receiver can also be used to document the condition of the shipment which would be useful in supporting any claim of shortage or damage. The receiver is generally entered by the department receiving the goods via “desktop delivery.” If an item is physically received in the Shipping & Receiving Department at 6431 Fannin Street, the Shipping & Receiving staff will enter the receiver into the financial system.

Requisition – A request to purchase a good or a service. Requisitions are entered into the financial system providing a description of the items to be purchased, the quantity to be purchased, the delivery date, the delivery location, the price, and any special instructions. The requisition also contains the accounting information required in order to encumber the funds and ultimately the expense for the purchase. Requisitions must be approved in the financial system by the ordering department’s administrative staff. Additional approvals may be required for certain items before a purchase order may be issued.

Voucher – A voucher is entered into the financial system in order to create a payment of an invoice. The voucher must match the purchase order and the receiver creating what is referred to as a 3-way match. This match is necessary to confirm the transaction and support approval for payment. Vouchers will establish a payment date based upon the payment terms in effect for the supplier.