

**PRAIRIE VIEW A&M UNIVERSITY**  
**Administrative Procedures Manual**

**21.99.99.P0.02 Purchase Orders**

Issued: May 15, 1998  
Updated: January 10, 2002  
Supersedes: APM 10.02

1. Definitions

All purchases from outside vendors must be done through the issuance of a Purchase Order. A Purchase Order (PO) is an official order placed by the Purchasing Office to an outside vendor for goods or services. An outside vendor is defined as a provider of goods or services that is external to the University.

2. Initiation

2.1 A PO is initiated with a properly completed Purchase Requisition (PR), submitted to the appropriate Office in the Fiscal Affairs Department

Buying Account	Submit To
Restricted (5-5XXXX)	Restricted Funds Office
Unrestricted (All Others)	Purchasing Office

2.2 A PR submitted to Restricted Funds will be reviewed for compliance with the applicable restrictions on the account involved. If in compliance, the PR is forwarded to the Purchasing Office; if not in compliance, the PR is returned to the requesting department with an explanation.

2.3 A PR received by the Purchasing Office will be assigned a PO number and an encumbrance entry will be entered into FAMIS. If the entry accepts, the PR will be forwarded to the Purchasing Agent for processing; if the entry rejects, the PR will be returned to the requesting department for insufficient funds.

3. Issuance

The Purchasing Agent will assign the approved PR to a buyer for processing. The buyer will validate the information on the PR, obtain bids or utilize catalog (as appropriate and necessary), and perform other tasks that may be necessary to ensure compliance with State, TAMUS or University rules and regulations. The buyer will then prepare and issue the PO. The PO will be mailed and/or faxed to the selected vendor and a copy will be forwarded to the requesting department.

4. Purchase Violations

Failure by an employee to follow the above procedures constitutes a purchase violation. Departments submitting a purchase requisition to Purchasing Office for a good or service already ordered by the requesting department will be required to obtain the President's approval to process the requisition for payment. **Warning: Failure to provide adequate justification to the President may result in the employee being required to pay the vendor for the debt incurred.**

5. Delivery of Goods or Services

5.1 All goods delivered to the University should be delivered to the Central Receiving Warehouse,

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where a receiving report will be prepared. Upon determination of the applicable department, the goods are delivered as soon as possible. *[Note: If the goods are received directly by the requesting department, it is responsible for providing proof of delivery to the Accounts Payable Office.]*

5.2 All services provided to the University are generally provided to the applicable department. The receiving department will provide the Accounts Payable Office with proof of delivery. Often this will be a signature on a copy of the invoice. In the case of a personal services contract, it will be a memo stating the services were provided.

6. Invoices

6.1 Invoices or billings should be sent directly to the Accounts Payable Office by the vendor, as directed on the PO. However, vendors do submit invoices directly to departments at times and it is the responsibility of the receiving department to forward the invoice to the Accounts Payable Office, along with the requisite proof of delivery.

6.2 When an invoice is received for an amount greater than the purchase order amount, the Fiscal Office will process them if the difference is within 10% or \$250 of the purchase order amount. If the difference is greater, the requesting department will be required to process a purchase requisition for the amount of the difference before the invoice will be processed for payment.

7. Payment

The Accounts Payable Office will match the invoice, Purchase Order and Proof of Delivery. The absence of any of these documents will delay payment. If all three documents are present, a purchase voucher is typed and approved for payment. The purchase voucher is forwarded to the Accounting Office for entry into FAMIS, and a check will be generated the following business day. After the check is generated and signed, it is mailed to the vendor.

8. Forms

Purchase Requisition forms may be purchased from Central Stores.

Contacts:      Encumbrances - Purchasing Office  
                  Purchase Order - Purchasing Office  
                  Vendor - Purchasing Office  
                  Payment - Accounts Payable Office  
                  Delivery of Goods - Central Receiving