

10.5 – Purchase Order Policy

Purpose/Overview

Purchase orders are submitted to the Finance Department to gain authorization for a purchase of a good or service.

Policy Statement

Purchase orders are mandatory for the purchase of all goods and services made by district employees. Invoices received by the accounting office that do not accompany a purchase order will be returned to the appropriate budget manager, and will require the completion of a purchase order prior to payment. If payment of the invoice is delayed as a result, subsequent vendor inquiries related to the past due items will be forwarded to the appropriate budget manager for his or her attention. Purchase order requests in excess of budget will not be approved. Responsibility for monitoring budget line items remains with the appropriate budget manager.

Items that do not require a purchase order include:

- Mileage reimbursements
- Staff reimbursements for materials and supplies purchased out of pocket
- Utilities

These items require that a check request form be completed and submitted to the accounting office for payment. See “Cash Disbursements Procedure” for further instruction.

Individuals Involved

Finance Department	Collects and approves purchase orders
Employee	Employee of U Prep Schools that wishes to make a purchase.
Budget Manager	The employee that oversees a particular school budget and will sign off on a the appropriate purchase order.

Procedures

1. Complete the standard purchase order form. Be sure to include proper vendor name, address, and shipping information
2. The purchase order must be signed by the individual with the authority to approve the budget line to which the purchase will be charged.
3. The purchase order must be assigned to a proper budget line.
4. Forward the completed purchase order to the accounting office. You can send it one of 3 ways:
 1. Scan and email to the accounts payable department
 2. Inter office mail, addressed to “accounting office”
 3. In person

5. The accounting office will review the purchase order to ensure it is complete and accurate. Please note that purchase orders that are not properly approved (as described in step 2) and not assigned a proper budget line will not be approved.
6. The accounting office will determine whether there are enough funds in the budget to place the order. Once approved, the accounting office will assign the purchase order number.
7. A copy of the approved purchase order will be returned to the requester. At that point, the purchase can be made.
8. Purchase orders will be processed by the following business day from which they are received.
9. When the invoice for the items is received, the invoice will be paid (as long as the total of the invoice matches the total on the purchase order). In the event there are discrepancies, the accounting office will contact the budget manager for further follow up and resolution.
10. Blanket Purchase Orders: We recognize that there are several instances where certain vendors are paid the same amount each week or month. For these items, a "blanket purchase order" can be issued.
11. Invoices received by the accounting office are matched to the appropriate purchase order and paid within 30 days of the invoice date, subject to availability of cash flow and to the timely receipt of invoice by the accounting office.
12. Checks are processed each Friday. If a vendor wishes to pick up a check, they may do so after 12 noon on Friday, unless other arrangements have been made by the accounting office. Any checks not picked up will be sent via U.S. mail the following business day (Monday).
13. If you are working with a vendor with more specific payment terms, please discuss your needs with the accounting office.

Referenced Work Instructions/Forms/Flowcharts/Samples

- Purchase order form

Implementation/Compliance/Assessment/Accountability

This policy and procedure is maintained and enforced by the Finance Department under the supervision of the Operations House of U Prep Schools.