EASTERN WEST VIRGINIA COMMUNITY & TECHNICAL COLLEGE
REGULATION No. – AR 7.4

TITLE: **ORDERING AND RECEIVING**

EFFECTIVE DATE: **JULY 27, 2004**

General Summary Statement of Administrative Regulation purpose. The purpose of this regulation is to set forth the procedures for ordering of goods, merchandise, or services, as well as subsequent receiving standards. In addition, the State of West Virginia Purchase Order form instructions are outlined, along with institutional authorized signature approvals. These procedures are required for compliance with State law, State Purchasing Division, West Virginia Council for Community & Technical College Education, Higher Education Policy Commission, and auditing standards.

PROCEDURE:

ORDERING of GOODS, MERCHANDISE, or SERVICES

1. All employees are required to prepare and sign a Purchase Order (PO) form to describe the goods, merchandise, or services prior to purchase.
2. The employee, who initiates the PO form, as designated by signature in the "requested by" section, will be identified as the "originator."
3. Required sections to be completed by originating employee are designated in "light blue" color on the PO form. Specific section titles are listed below, with explanation where appropriate. Optional areas, to be completed only if requester knows information, are printed in script format.

   - Vendor Name and Address
   - *Does vendor accept Purchasing Card (P-Card)*? Yes or No (If known)
   - Vendor Federal Employer Identification Number (FEIN), Phone and Fax numbers (Note: FEIN Number is only needed for Vendors that the College has NOT used in the past.)
   - Request Date
   - Purchaser (Name)
   - *Ship Via* (If there is a shipment preference)
   - Contract # (List state-wide contract or other contract number, if applicable)
   - Item # (This is the vendor's item number for the merchandise/goods)
   - Quantity
   - Description (Itemize with unit details. For example: Box of 6 pens)
   - Unit price (Per item charge)
   - Extended Price (Unit Price multiplied by the Quantity)
   - *Shipping & Handling* (Fill this in if you know the costs)
   - Purchase Order Total
   - Fiscal (Fiscal Year budget for Purchase Order source of payment funds)
   - Department
   - Fund (This is the budgeted fund that will be source of payment)

- Encumbered (If the Purchase Order is being paid from more than one departmental budget, or more than one fund, please indicate the breakdown by fund and/or department)
- Requested By (signature) and Date. (Note: If signature is illegible, must print.)

4. The PO form must be approved by the originator's immediate supervisor and Senior Administrator. The Senior Administrator should sign and date the PO form immediately below the "Requested by" signature line.

5. Next, the PO form must be approved by the College's designated signatory authority based upon amount of purchase. **If amount of PO is less than $5,000**, then, the Executive Dean or designee is authorized to approve. **If the PO amount is greater than $5,000**, the approval must be authorized in writing by the President.

6. After approval signatures are complete, the PO form must be forwarded to the Business Office. Upon receipt, the Business Office will date stamp and assign a PO number. Then, the designated vendor will be verified to determine if on the state-approved vendor list. Final review of PO form completion and appropriate signature authorization are evidenced by Business Office Administrator signature approval.

7. The Business Office staff conducts the ordering function for ordered goods, unless specified in writing otherwise on the PO form.

8. When performing the ordering function, the Business Office staff will obtain order confirmation, anticipated delivery information, and other relevant details. The, order documentation details will be written on the PO form.

9. The Business Office will retain the original PO form in its files, except when the vendor requires original PO form to process order. In such instances, the Business Office will retain a copy of the PO form in its files.

10. After ordering function completed, the Business Office shall forward a PO form copy, with order confirmation details, to the originator.

11. When required by State and Higher Education Purchasing Rules and Regulations, a copy of the PO form is forwarded to the State Purchasing Office and Attorney General.

RECEIVING PROCEDURES

12. ***Ordered goods or merchandise may be received either by delivery service*** --United Parcel Service (UPS), Federal Express, United States mail, or other carriers. All packages and envelopes will be received at one central location at the College, which is the first floor front reception desk of the HARCO administrative offices building. The front desk representative will note and sign a delivery log sheet to document the package delivery. Then, the front desk staff will either call or send an email message to the appropriate addressee, which should be the same as the PO originator unless otherwise specified, identified on the package mailing label. Alternatively, individual departments may designate a central receiving contact, however, the responsibility for adhering to the Receiving procedure remains assigned to the PO originator.
13. The PO originator or designee is responsible for either picking up the package or envelope, within 24 hours of delivery, based on regular business hours, or arranging for transport or movement to their office or other storage area.

14. Upon opening the package, the PO originator or designee must conduct an inspection of the contents, including determining if the item(s) are in conformance with the purchase order description, including, but not limited to, matching the make, model number, brand name. If included, a packing slip should be reviewed. An actual count of goods is required, if quantity order. The quantity should be matched against the purchase order quantity, packing list and bill of lading, if applicable. The receiver must inspect for damage, and identify any non-conforming goods
15. To document the review and inspection, the PO originator or designee must complete and sign a Receiving Report form on the same day that the merchandise is delivered.
16. The original signed Receiving Report form, along with original packing slip if included, must be forwarded to the Business Office no later than one (1) business day following receipt of order. The originator should retain a copy of these documents for their files.
17. The Business Office will be responsible for reviewing and maintaining file records of all Receiving Reports, packing slips, and invoices
18. Upon receipt of the invoice, the Business Office will be responsible for attaching a Receiving Report form for the payment processing function.
19. ***Ordered goods or merchandise which are received electronically*** (ex: internet, fax) are subject to all the receiving procedures identified above, steps 11 through 15.
20. ***Goods or merchandise may be purchased and picked up in person by PO originating employee.*** In person deliveries are required to comply with the receiving procedures identified above, steps 10 through 15.
21. ***Labor or Professional Services may be the subject of a PO and are subject to receiving and matching procedures.*** Upon completion of the purchase order or contract labor or professional services, the originator must match the frequency (daily, weekly, monthly) and duration (number of hours, days, and amount) described in the purchase order or contract. Service contracts or agreements that require the vendor (service provider) to provide reports, statistics, or recommendations must be specified in the purchase order or contract. Service contracts which require the performance of a particular service (example: carpet cleaning, automobile maintenance) must specifically itemize and describe all tasks. Verification process requires matching the task completion with the description on the approved purchase order form.

LOSS or DAMAGE IN SHIPMENT

22. The responsibility for filing claims for loss or damage to goods or merchandise in shipment is with the purchase order originator, or department, after notice to the Business Office Administrator. If goods are shipped FOB DESTINATON, the title remains with the vendor until the goods are received and accepted by the ordering department or College.
23. If merchandise is shipped FOB SHIPPING POINT, the title passes immediately when the goods are given to a common carrier (Ex: Federal Express, United Parcel Service) at the time of shipment. As a result, the department and College are responsible for any and all damages or losses when the goods are in transit. If damages occur to merchandise in shipment, it is the responsibility of the originator or ordering department to file a claim.

OBVIOUS LOSS OR DAMAGE

24. FOB DESTINATION: The front desk receiving staff must document all obvious losses or damages on receiving papers, sign and have the carrier driver sign. Write the word "Refused" on receiving documents. Employees should never accept damaged packages or

containers from a carrier under any circumstances. When damage is obvious to the packaging, the College's receiving staff will refuse the order when it is delivered.

25. FOB SHIPPING POINT: The front desk receiving staff should document all losses or damage on receiving papers, sign and have driver sign. All merchandise should be retained in the condition in which it was received. The originator or ordering department is responsible for notifying both the carrier and vendor in writing and by telephone within five (5) working days. A copy of this written notification shall be forwarded to the Business Office.

CONCEALED DAMAGE OR LOSS

26. FOB DESTINATION: If the damage becomes evident when unpacking, the originator/receiver should stop the unpacking; retain all merchandise and package(s) in exactly the same condition as received. The receiver is responsible for notifying the vendor immediately in writing and by telephone. A copy of the written notice must be forwarded to the Business Office. Damaged goods or materials should not be used and packaging materials retained.
27. FOB SHIPPING POINT: The same procedure as described in item 23 applies. In addition the originator or ordering department must promptly notify and file a claim with the common carrier, within Interstate Commerce Commission guidelines. The Business Office shall be notified, copied, and involved in the claim processing.

VARIANCE WITH PURCHASE ORDER DESCRIPTION

28. Occasionally, unforeseen conditions occur with vendors that cause delivered items to be different from those originally quoted and awarded. Shipments must be inspected immediately or difficulties may occur in obtaining a refund, credit or returning the merchandise. In any event, do not sign for any shortage, but rather insist on a correction of the packing slip. After corrections are made, request that the driver, if applicable, sign all shipping documents before leaving.
29. Employees are not authorized to accept or approve any alternate or substitution from description on the Purchase Order form without approval of the Business Office Administrator or designee.

The Business Office Administrator is responsible for implementation, interpretation, and review of the Ordering and Receiving procedures. Failure to comply with these ordering or receiving procedures may result in the departmental or individual employee loss or suspension of purchasing privileges, as well as other appropriate corrective action.

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Dr. Linda S. Dunn, President **Date**