

SECTION 4.3 – ELECTRONIC PURCHASE ORDER PROCESS

OVERVIEW:

Purchase orders are required for all purchases except as defined in Section 4.2 or Sections 6 with imprest checking accounts, or Section 7 with reimbursement vouchers. Purchase orders are a means of providing clear information and order terms to vendors, encumbering/tracking budgets, and providing historical data on orders. Purchase orders should always be used for the contractual services as well as for purchase of fixed assets or theft sensitive assets.

REQUESTING A PURCHASE ORDER:

The District is using the IFAS on-line purchasing system to produce purchase orders. Detailed instructions about how to use IFAS are included in your IFAS training manual. If you need help or aren't sure how to input your information, please call ext. 4180 for assistance. When you input a Purchase Request, please keep the following in mind:

- Provide detailed information/description about your order. Please be as descriptive as possible when entering your Purchase Request. Only the first line of the description carries over into the receiving screen in IFAS. Therefore, the first line should clearly identify the item as much as possible.
- An "open" or "not to exceed" purchase order to cover a specific time period should indicate in general what will be purchased on the PO. If multiple payments will be issued against an open PO, remember to reverse the dollar amount with the quantity when you enter your purchase request. (For example: 1000 at \$1.00 each for a \$1000 open PO.)
- Attachments to Purchase Requests should be marked with the Purchase Request number and forwarded to the Purchasing Office as soon as possible for timely processing.
- Include the appropriate shipping amounts and sales tax rates. More information on sales tax is included below.

SALES TAX:

We are required to pay sales tax on all purchases, including shipping and handling. If a purchase is made from an out of state vendor that does not charge tax, we are still required to pay tax to the State of Washington. This is called “*Use Tax*”. The sales tax rate is determined by the location of the sale:

- The sale of tangible property from a Washington vendor is charged at the tax rate of the retail outlet of the seller.
- The sale of tangible property from outside of Washington is taxed at the rate of the sellers in-state presence (examples: resident sales person, office, etc.) or at the buyers location if the vendor has no in-state presence.
- If in doubt, use the default sales tax rate on your purchase request. The Accounting Office will determine the appropriate rate when payment is made.

PURCHASE ORDER REVISIONS:

When it becomes necessary to revise a purchase order, please use the Purchase Order Revision form.

Examples of revisions to a purchase order might be:

- Increase/decrease in dollar amount over \$50 (\$50 and under may be revised via an e-mail)
- Change in product
- Change in account number

Be as descriptive as possible when completing the Purchase Order Revision form. Please indicate whether or not the vendor needs written authorization to make the change you are requesting.

RETURN OF MERCHANDISE:

When items need to be returned to the vendor, schools or departments should contact the vendor for a return authorization number, a shipping address, and any other instructions the vendor may require.

- Securely package the item as per their instructions.
- Include a copy of the packing slip or other identifying paperwork.
- Return authorization numbers, if provided, should be clearly written on the outside of the box and on the packing slip inside the box.
- Address the box as per the vendor’s instructions. Be aware that sometimes shipments are returned to different locations.
- Ship, preferably by traceable method, to the vendor. Keep records of the tracking number and return information until your package is received and credit is issued.
- Mark the item as “Rejected” on the purchasing receiving screen. This will help ensure that the Accounting Office does not process payment.

Schools and departments should notify Accounting that a credit or refund is pending.

ENTERING NEXT YEAR PURCHASE REQUESTS IN IFAS

Remember there are special requirements governing which year a purchase may be charged to as per section 4.1. Sites may begin entering next year POs in IFAS when notified by the Finance Department, usually June 1st. Exceptions such as fall sports, fall workshops, etc. may be entered as early as May 1st. Exceptions will be determined on a case by case basis. Please contact Purchasing for assistance.

When entering a next year Purchase Request into IFAS, there are two important fields to flag to ensure your encumbrance is posted to the correct year:

Text Code: Enter **NY** in the first text code box. This code indicates Next Year.

Date: Change the date to September 1st.



PURCHASE ORDER REVISION

VENDOR INFORMATION	Purchase Order #	
	Requisition #	
	Vendor #	
	School/Department:	
	Contact/Phone #	

The following revisions are hereby authorized on the above referenced Purchase Order.

REASON FOR CHANGE - PLEASE NOTE

Code change Monetary Change Disencumbrance

DESCRIPTION	AMOUNT
Revised Subtotal: <input type="text"/> Revised Shipping: <input type="text"/> Revised Sales Tax: <input type="text"/> Revised Total: <input type="text"/> \$0.00	

PO CODING ADJUSTMENTS

GENERAL FUND		ASB		CAPITAL PROJECTS	
Debit:	\$	Debit:	\$	Debit:	\$
Credit:	\$	Debit:	\$	Credit:	\$
Debit:	\$	Debit:	\$	Debit:	\$
Credit:	\$	Debit:	\$	Credit:	\$

AUTHORIZED BY	DATE	PURCHASING APPROVAL
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