The Receiving Procedures Manual has been implemented by the Receiving Department to assist University personnel in the receipt of commodities that are acquired through Purchase Orders. The Receiving Department is a unit under the Purchasing Department and is located in the Plant Operations Facility. This Manual provides procedures for inspecting and accepting commodities and approving payment through the use of the Receiving Report.

This Manual is designed to assist the Receiving staff as well as departmental employees who are involved in the receipt of commodities. This Manual also contains
procedures for the return of commodities to vendors, outgoing shipment of packages and the receipt of commodities ordered under Blanket Purchase Orders. A sample of all necessary forms is available at the Purchasing Department.

This Manual will assist each user in carrying out their respective duties and protecting the interests of the University. The obligation of each employee does not end with the purchase and receipt of the items needed. The receiving function must be embraced by all employees to ensure that vendors and contractors receive their payments on time and that the business relationship between the University and vendors/contractors continue uninterrupted. The Receiving staff are ready and willing to help with all aspects involving the receiving function. University departments are strongly encouraged to contact the Receiving Department whenever assistance is needed.

CHAPTER 1

GENERAL INFORMATION ON PURCHASES, RECEIPTS AND PAYMENTS

PURCHASES

The Purchasing Department issues Purchase Orders (Attachment 1) as a result of Purchase Requisitions (Attachment 2) which are prepared by campus departments for commodities and services. Purchases must comply with Florida Statutes, state rules, federal guidelines and the procedures contained in the University Purchasing Manual. The Purchasing Director is the employee designated to commit funds through the use of Purchase Orders.

RECEIPTS

For each Purchase Order issued by the Purchasing Department, the purchasing computer system generates an automated Receiving Report (Attachment 3). The receiving documents are maintained by the Receiving Department staff in a pending file until the commodities and services are received. Vendors and contractors make deliveries to the Receiving Department which is located at the Plant Operations Facility.

As shipments arrive at the Receiving Department, they are matched to the corresponding Receiving Report
using the Purchase Order number as reference. The numbers appear on labels attached to boxes and crates. Then, the commodities are delivered by the Receiving staff to campus departments. Deliveries are made to the departments approximately twice a week. Departments are welcome to pick up the commodities received whenever possible. This cooperative gesture helps the Receiving Department in making deliveries to other departments more promptly. Subsequent chapters give complete details concerning other aspects of the receiving function.

The Receiving Report, when signed by the requesting department, is used as proof of delivery, inspection, acceptance and approval for payment. The document is also used to record the condition (visible and latent damages) of the shipments at the time they arrive at the Receiving Department.

According to rules of the Florida Comptroller, the University Receiving Department has five (5) days to deliver the commodities to the requesting departments from the date of receipt. All University employees must make every effort possible to ensure that commodities received reach their final destination promptly and payment is initiated within the time prescribed by Section 215.422, Florida Statutes (Prompt Payment Law).

PAYMENT

Vendors and contractors send invoices to the Accounts Payable Section which is located within the University Controller's Office. A payment voucher (Attachment 4) is generated by the Accounts Payable Section as a result of MATCHING the Purchase Order (pink copy) to a valid INVOICE from a vendor and a Receiving Report or other proof of delivery. The Accounts Payable Section has 20 days to generate a payment. The Florida Comptroller has 10 days to issue a state warrant (check).

OUTSTANDING ENCUMBRANCE REPORT

The Outstanding Encumbrance Report (Attachment 5) lists all outstanding Purchase Orders which have been issued to make acquisitions for campus departments. The report lists the orders in purchase order number sequence by account number. Each item on the Purchase Order is listed on the report.
The Outstanding Encumbrance Report must be used by departmental employees to track the activities (partial/complete shipments) of each Purchase Order. The report is generated by the University Controller and is distributed monthly. Frequently, reports are distributed to the Deans' offices. Also, reports are forwarded to Principal Investigators when transactions involve sponsored programs.

A. When a partial shipment is received and paid, the Outstanding Encumbrance Report will continue to list the remaining items to be delivered.

B. When a full shipment is received and paid, the items and Purchase Order will be dropped from the report.

NOTE: When the Outstanding Encumbrance Report shows items which have been received and approved for payment via the Receiving Report or other proof of delivery during one month, it indicates a possible problem with the payment if the items remain in the Outstanding Encumbrance Report during subsequent months. Departmental employees are encouraged to contact the Accounts Payable Section and inquire about the status of the payments.

DEPARTMENTAL LEDGER REPORT

The Departmental Ledger Report (Attachment 6) lists all the payments made by the Accounts Payable Section each month. The report is sorted by account number and shows the payments made under each object code. The report is generated by the University Controller and is distributed monthly. Frequently, reports are distributed to the Deans' offices. Also, reports are forwarded to Principal Investigators when they involve transactions under sponsored programs.

If a partial payment is made, the payment will appear in the Departmental Ledger Report. The outstanding commodities to be delivered will remain listed in the Outstanding Encumbrance Report.

If a complete (final) payment is made, the payment will appear in the Departmental Ledger Report. The purchase order (items) will be totally dropped from the Outstanding Encumbrance Report.
Questions concerning payments should be directed to the Accounts Payable Supervisor (FHAC, Room 201, Ext. 2978).

CHAPTER 2

DELIVERIES AND RECEIVING REPORTS

DELIVERIES TO THE RECEIVING DEPARTMENT

Receiving Reports are generated by the purchasing computer system daily. For every Purchase Order issued by the Purchasing Department, there is a corresponding Receiving Report. The report is used to record the receipt, inspection, acceptance and approval for payment of the supplies, materials, furniture and equipment ordered by the University.

The Receiving Reports are delivered to the Receiving Department each morning. They are filed in numeric order in a pending file. In most instances, the reports cover commodities to be delivered to the University Receiving Department by vendors and contractors.

The Receiving Department will be responsible for completing the Receiving Report for shipments that are delivered to the Receiving warehouse. In turn, the Receiving staff will deliver the items to the campus departments. At the completion of the deliveries and data entry input to update the purchasing computer system, the Receiving staff will route the copies of the Receiving Reports following the steps contained in this chapter.

DIRECT SHIPMENTS OR DELIVERIES

Purchase Orders are issued for commodities and services that are delivered directly to campus departments when the orders specify such deliveries. In those cases, deliveries will not be made to the Receiving Department and the Receiving Report will need to be handled differently.

The Receiving Department will forward the applicable Receiving Reports to the campus departments when the transactions involve:
services to be rendered
order cancellations
blanket purchase orders
advertisements
direct shipments to departments
construction projects, repairs
telephone installations
maintenance of equipment
confirming purchase orders
interdepartmental purchases

Campus department will be responsible for keeping the Receiving Reports in a pending file until the goods/services are received, inspected, accepted and approved for payment. Then, the Receiving Reports are returned to the Receiving Department for recording the receipts into the purchasing computer system. Signed and approved copies will be forwarded by the Receiving Department to the Accounts Payable Section for payment.

PARTIAL OR FULL SHIPMENTS TO THE RECEIVING WAREHOUSE

When a partial shipment is received at the Receiving warehouse, a Receiving Report is completed for those items. After the shipment is recorded into the purchasing computer system by the Receiving Department, a new Receiving Report will be generated by said system for the remaining items within one day of the data entry. This process will be repeated for all partial shipments. The reports will be kept in a pending file at the Receiving Department or at the requesting department when it involves a direct shipment.

The Receiving Report is completed when a full shipment is received by the Receiving Department or by the requesting department when it involves a direct shipment.

COMPLETING RECEIVING REPORTS FOR DIRECT SHIPMENTS

Campus departments are required to complete the Receiving Report when it involves direct shipments to those departments instead of the commodities being delivered to and received by the Receiving Department.

It is the responsibility of the requesting campus department to call the Receiving Department and ask for
the Receiving Report when such report is not available at the requesting department by the time direct shipments are received. It is possible that the reports may still be at the Receiving Department or they may have been lost in transit. In any case, the Receiving Department can print a new report using the purchasing computer system. It is very important that this follow up be done to ensure that the items received are inspected, accepted and approved for payment. This step will also ensure that the items are put to use and that the vendors and contractors will receive their payments. After each receipt, the Receiving Report is routed to the Receiving Department following the instructions below.

RETURNING RECEIVING REPORTS TO THE RECEIVING DEPARTMENT

After a direct shipment is received and the Receiving Report is completed by a campus department, the report is routed as follows:

<table>
<thead>
<tr>
<th>Copy</th>
<th>Department/Section</th>
</tr>
</thead>
<tbody>
<tr>
<td>White Copy</td>
<td>Accounts Payable Section</td>
</tr>
<tr>
<td>Yellow Copy</td>
<td>Purchasing Department (filed numerically)</td>
</tr>
<tr>
<td>Pink Copy</td>
<td>Property Department</td>
</tr>
<tr>
<td>Goldenrod Copy</td>
<td>Receiving Department</td>
</tr>
<tr>
<td>Blue Copy</td>
<td>Requesting Department</td>
</tr>
</tbody>
</table>

HANDLING PACKING SLIPS AND BILLS OF LADING

Packing Slips and Bills of Lading are documents used by vendors and contractors in conjunction with freight/transportation. These documents are important and must be handled carefully because they serve as proof of delivery. They are typically filed attached to the Goldenrod Copy of the Receiving Report.

Note: On occasions, an invoice may be included with the shipment. In such cases, the invoice should be forwarded to the Accounts Payable Section, FHAC Room 201, telephone ext. 2978.
Supplies, materials, furniture and equipment are delivered to the Receiving Department. Items are not to be delivered to other facilities unless specifically exempted by one of the following conditions:

a. The delivery point for a user is an off campus facility.

b. Other items, such as bulk fuel, chemicals, refrigerated products and live animals require special handling or storage.

c. The delivery of an item or group of items required handling equipment such as forklift, crane or similar equipment. Weight or dimension of a shipment may dictate the need for a direct delivery to a campus department.

d. Shipments of furniture or equipment which need to be installed at a later date by a vendor or contractor.

e. Direct deliveries to departments when it is determined by the Purchasing Department to be in the best interest of the University and the requesting department.

DEFINITION OF INSPECTION

Inspection is the close and critical examination of commodities or equipment delivered to the University pursuant to duly authorized purchase orders. Inspection determines that:

a. Unless otherwise specifically ordered, the delivery consists of new and unused merchandise.

b. Commodities of the quality, grade, or standard specified in the purchase order or contract award have been delivered.

c. The design, construction, ingredients, size, kind, type, make, color, style, etc., of the commodities conform to the requirements of the purchase order or contract.

d. The packaging and labeling, marking, or other means of identification meet specifications; or, if not specifically called for, conform to the best commercial
practices for protecting the items during transportation, storage, handling and distribution.

e. Unless otherwise specifically ordered, the delivery contains no materials classified as seconds, factory rejects, mill ends, distressed merchandise, or having other objectionable characteristics.

f. The commodities comply with specification requirements in all essential respects, are in good condition, and delivery has been made in accordance with the terms and conditions of the purchase order or contract.

THE NEED FOR ADEQUATE AND FAIR INSPECTION

Inspections are conducted to protect the University’s interests and ensure compliance with purchasing requirements.

a. The purpose of inspection is to make certain that suppliers furnish the precise commodities ordered. Without a good system of inspection, suppliers may reduce their costs by furnishing items which do not meet the minimum specifications. Furthermore, no matter how large, how efficient, or how reliable a supplier may be, errors do occur. To ensure that the requirements are actually met, to protect the University from receiving material below the level of acceptable quality, and to prevent unfairness to unsuccessful bidders, inspections are necessary.

b. Knowledge that a delivery may be inspected, and its acceptance or rejection based solely upon merit, serves to discourage suppliers who otherwise might resort to unethical practices.

c. Inspection is not intended to impede or obstruct the ordinary flow of merchandise between suppliers and the University or to harass responsible suppliers, who, through some inadvertence, delivered the wrong items; but is intended to correct errors and otherwise assure the delivery of the proper items.

d. Inspection will be fair and impartial, and realistically performed pursuant to the requirements of the delivery. The same yardstick of measurement must be used consistently for all suppliers of the same item.
When a laboratory analysis is necessary to establish compliance with a particular specification, samples should be taken from deliveries and submitted to the Department of Management Services, Bureau of Standards. The Purchasing Department will coordinate laboratory tests.

METHODS OF INSPECTION

Broadly speaking, there are six methods of inspection. Some products may be inspected by one method; others may require a combination of two or more. Usually, an employee can use either the visual or certification methods of inspection unaided. To some extent, the employee may utilize mechanical and performance methods, although many such inspections will require laboratory facilities. The analytical method, however, is almost exclusively a laboratory function. Types of inspections are explained below:

a. Visual Inspection - By common understanding, visual inspection includes the use of one or more of the five senses - sight, taste, smell, hearing, and touch. Generally, visual inspection is sufficient to establish the acceptance or rejection of many kinds, types and classes of commodities without resort to laboratory analysis, when inspection does not require supplementation by physical test or chemical analysis. An employee can usually determine whether or not the material complies with the requirements of the specifications, giving due consideration to their relative importance, by examination or inspection of the following factors: design, construction, workmanship, performance, size, length, width, thickness, weight, dimension, labeling, identification, markings, etc.

(1) Sight: Visual or sight inspection includes observances of those characteristics which may be seen by the eye or which are obvious or apparent, such as shape, color, rust, decay, sturdiness, blemishes, clarity, turbidity, stains, discoloration, design, uniformity, etc.

(2) Taste: Fruits, vegetables, canned goods, pastries, desserts, and similar food products lend themselves to inspection by taste to determine whether or not they are dry, juicy, sweet, sour, fresh, stale,
rancid, salty, palatable, flavored, spiced, unpleasant, etc.

(3) Smell: The sense of smell utilized in the inspection of meat and poultry, dairy products, canned goods, and certain pharmaceutical items, such as various oils, soaps, extracts, etc., to determine whether or not they emit an offensive or objectionable odor, are rancid, contaminated, unpleasant, putrid, sour, etc. Smoking or burning insulation, oil, or grease is indicative of overheating, which might be caused by a defect not otherwise discernible.

(4) Hearing: Hearing is essential in the detection of defects indicated by unusual sounds or noises audible when observing the operation of motors, machinery, or other mechanical electrical, or automotive equipment, such as knocking, squeaking, rattling, sizzling, hissing, sputtering, tearing, cracking, shearing, crushing, breaking, scratching, etc.

(5) Touch: The characteristics which may be determined by touch or feel, in the inspection of many commodities, include such common qualities as heat, cold, wetness, dryness, tightness, looseness, sharpness, dullness, rigidity, flexibility, firmness, strength, weakness, hardness, softness, smoothness, roughness, porosity, thickness, etc.

b. Certification Inspection - Certification is an important method of inspection which supplements visual inspection and usually makes unnecessary further mechanical performance or analytical inspection. Manufacturers of certain items conduct their own physical tests and chemical analysis and will furnish certified copies of such tests upon request, either directly or through their authorized representatives. Except for the purpose of “check testing”, samples of such items should not be sent to the laboratory. Instead, test certificates should be obtained from the manufacturer when called for in the purchase order or contract. These certificates cover such items as manila rope, wire rope and cable, iron and steel chain, condenser and boiler tubes, transite pipe, creosoted paving blocks, plain and insulated wire and cable, etc.

c. Mechanical Inspection - Some mechanical inspection is a regular part of visual inspection.
Lumber, castings, and pieces of equipment, to name a few, are items usually susceptible to mechanical inspection at the delivery points. On the other hand, measurement of certain physical properties involves the use of engineering or laboratory facilities. Such factors as the tensile strength of paper, rubber, metal or cement; color fastness of dyes; or the indentation resistance of linoleum, cannot be measured in the field. When they must be verified, samples are selected by the Purchasing Department in cooperation with the Receiving and campus department involved.

d. Weight Inspection - Section 531.37(2), Florida Statutes, stipulates that “weight” in connection with any commodity means “net weight”. When examining items purchased by weight, such as, rags, cotton batting, etc., remove the contents from the package and weigh the contents on a scale certified by the Florida Department of Agriculture and Consumer Services. If this field test indicates short weight, notify the Purchasing Department. The Purchasing Department will arrange for verification of weight by the Department of Management Services, Commodity Testing Laboratory prior to any further action on the part of the receiving unit.

e. Performance Inspection - Like the two preceding methods, performance inspection is also frequently coupled with visual inspection. Such items as motors, casters, valves, hand trucks, automobiles, and heating plants, for example, can usually be given performance tests. One must be careful not to introduce tests which the items are not designed to meet. For example, an employee should not attempt to test a 110-volt A.C. motor on 110-volt D.C. current.

f. Analytical Inspection (Sampling and Testing) - When it is necessary to conduct laboratory tests on selected samples of a delivery, certain definite practices must be followed in order to protect both the vendor and the state against errors.

(1) Sampling - The state laboratory facilities are limited, and commercial facilities involve cash outlays. It is necessary to limit sampling and testing to a minimum consistent with the protection of the state’s interests. Therefore, the determination of commodities for sampling will rest with the University Purchasing Director or designee.
(2) Selecting the Sample - The University Purchasing Director or designee must select from the delivery a representative sample of the material to be tested. This selection must be done very carefully, to positively identify the item with the proper vendor and purchase order.

(3) Protecting the Integrity of the Sample - Each sample should be placed in a properly sealed container (or, when not practicable to place the sample in a container, it should be properly tagged), to prevent tampering and/or damage; and its integrity should be preserved until its delivery to the laboratory.

(4) Request for Analysis - The Request for Analysis Form (PUR 7030), shall be prepared by the Purchasing Department in duplicate at the time the sample is selected. The original must accompany the sample to the Department of Management Services, Bureau of Standards.

(5) Testing - Except in instances where such matter of life, health, and safety are involved, the laboratory should be requested to test only for those essential characteristics necessary to establish compliance or non-compliance with the specifications. Additional tests not germane to the purpose for which the sample is being tested, or any tests which would not, in themselves, establish compliance or non-compliance should be eliminated, unless specifically required for other purposes.

LABORATORY REPORTS

Laboratory reports will be issued as outlined in the State of Florida, Department of Management Services, Division of Purchasing, Bureau of Standards, rules of “Method and Procedures for Sampling, Testing and Reporting”.

INSPECTION UPON RECEIPT

All materials, supplies, furniture and equipment received should be inspected at the time of receipt by Receiving Department personnel or department employee to ensure that the items delivered are in a serviceable condition and in the quality and quantity ordered.
REJECTION OF GOODS

As outlined in Section 672.602, Florida Statutes, rejection of goods must be within a reasonable time after their delivery or tender. A thirty (30) calendar day period is a reasonable amount of time to report problems. Notwithstanding this guideline, all problems with receipts should be documented on the Receiving Reports and reported to the Purchasing Department immediately. When it has been determined by any of the methods listed in this manual that goods delivered are in non-compliance with the specifications, it will be the responsibility of the Purchasing Department to resolve the problem with non-compliance.

NOTE: The Purchasing Department will be the final authority for deciding when items are returned to the vendors. Prior to the return of goods, the Purchasing Agent assigned to resolve the matter will complete the RETURN TO VENDOR MEMORANDUM (Attachment 7).

LATENT DEFECTS

Despite the most rigid inspection and careful examination, a latent defect will occasionally appear, rendering the item inoperable, unsatisfactory, or useless. These defects are not the result of abuse or misuse, but of some weakness, flaw, deformity, mistake, or fault in workmanship or material which is not discernible until the item is subjected to use or put into operation.

RECEIVING AND INSPECTION

The Receiving Department staff will be responsible for receiving and inspecting goods received. Any problems, damages, shortages or discrepancies will be noted on the Receiving Report and on the vendor’s delivery ticket. The same responsibility applies to campus departments when they receive direct shipments from vendors and contractors.

The final authority for receipts, inspection, acceptance and approval for payment will be the requesting campus department.
CHAPTER 4

UPDATING THE PURCHASING SYSTEM

GENERAL INFORMATION

The University's purchasing computer system generates Purchase Orders and Receiving Reports. The system maintains a purchase order file and a receiving file. The purchasing file is frequently used by the Purchasing staff and contains data pertinent to all purchase orders. The Receiving file is used by the Receiving staff daily to record the receipt of supplies, materials, furniture and equipment. The receiving file contains data such as item description, quantities, packaging and delivery instructions. The purchase order number serves as the record key.

UPDATING THE COMPUTER RECEIVING FILE

After the completion of a Receiving Report by the Receiving Department or a campus department, the items and quantities received are entered into the computer receiving file. The updates are performed daily by the Receiving staff.

ROUTING THE RECEIVING REPORT

After updating the computer receiving file, the Receiving staff routes the reports following the procedures contained in Chapter 2, Deliveries and Receiving Reports.

CHAPTER 5

RETURNING GOODS TO VENDORS

From time to time supplies, furniture and equipment purchased through a purchase order are received in a damaged condition that necessitates their return to the vendors. Sometimes, items are returned because they are no longer needed, or the wrong items are received by the University and they need to be exchanged. When these and other similar cases occur, the following steps must be followed:
Items located at the Receiving Warehouse - If the items to be returned are located at the Receiving Department, the Receiving Manager or designee will ensure that the items are secured until their return to the vendors. They should be labeled and placed in the “Items to be Returned” zone. A note should be affixed to the package identifying department, employee, purchase order number, phone number and brief message stating reason for return.

Items located at the departments/offices - If the items to be returned are located at the departments, the employee who ordered the items will ensure that the items are secured until their return to the vendor. A note should be affixed to the package identifying department, employee, purchase order number, phone number and brief message stating reason for the return.

NOTE: ITEMS WILL BE RETURNED TO VENDORS ONLY WITH THE APPROVAL FROM THE ASSISTANT DIRECTOR OF PURCHASING.

A. Departmental employee’s responsibility

The departmental employee that ordered the items will take the following steps to ensure their return to the vendor:

1. Submit a RETURN TO VENDOR memorandum (Attachment 7) to the Assistant Purchasing Director identifying the items to be returned and explain the reasons why the items should be returned. Include purchase order number, copy of the receiving report, copy of any pertinent documents involving the original delivery to the University and account number.

2. Wait until the Assistant Purchasing Director gives written approval to return the items. Upon approval, the Receiving Department staff will relocate the items from the campus department to the Receiving warehouse. If the items are already at the Receiving warehouse, the departmental employee will simply wait for the Assistant Purchasing Director’s approval.

NOTE: THE DEPARTMENT ASKING FOR THE RETURN OF SUPPLIES, MATERIALS, FURNITURE OR EQUIPMENT WILL PAY FOR
THE APPLICABLE FREIGHT AND RE-STOCKING FEE UNLESS THE COST IS BORNE BY THE VENDOR.

A re-stocking fee is a penalty charge assessed to the University for returning supplies, materials, furniture or equipment. The charge may range from 5 percent to 40 percent of the total cost of the item(s).

B. Assistant Purchasing Director or purchasing designee’s responsibilities

1. Reviews the RETURN TO VENDOR memorandum submitted by the departmental employee and ascertains that the reasons for returning the items are valid. A phone call to the vendor is appropriate to discuss the circumstances behind the intended return and return procedures. When required, a vendor Return Authorization (RA) number will be secured. This number will be referenced on all correspondence/forms including boxes, crates and labels. The RA number may come in the form of a letter/memo from the vendor or label to be applied to the return box(es).

2. Authorizes the Receiving Department staff to return the items via UPS or common carrier (trucking company). A copy of the approved memorandum will be provided to Receiving Department for filing with the yellow copy of the Receiving Report. Also, a copy will be filed with the yellow vendor copy of the Purchase Order which is located at the Purchasing Department.

3. Arranges the payment of freight and re-stocking fee to the vendor when applicable. This activity includes helping the campus department in preparing a purchase requisition to cover the expenses.

C. Receiving Manager's responsibilities

The Receiving Manager performs the following:

1. Relocates goods from the department to the Receiving warehouse, when applicable, after obtaining written approval from the Assistant Purchasing Director.

2. Prepares the boxes/containers for shipment. Includes written authorization from the Assistant Purchasing Director with the return shipment to ensure
proper identification of items when they arrive at the vendor's location. Attaches mailing labels to box(es).

3. Completes UPS or common carrier shipping ticket. Contacts the shipping company for pick up.


Note: Typically, the above procedures apply when the University receives damaged items; the vendor ships the wrong items, or the need exists for exchanging items. These activities may take place prior to any payment being made.

If the items being returned have already been paid by the University, the Assistant Purchasing Director must ascertain that a refund check will be issued to the University if a refund is due. A copy of all correspondence/documentation showing the return items and amount of refund will be provided to the University Controller for collection. If the items being returned fall in the category of equipment which have a property inventory number, the Assistant Purchasing Director must notify the Property Administrator about the return so that the item can be properly removed from the inventory. Even when the return involves a tagged item that is being exchanged, the Property Administrator must be informed of the return/exchange transaction.

CHAPTER 6

RECEIVING ITEMS ON BLANKET PURCHASE ORDERS

GENERAL INFORMATION

This chapter covers policies and procedures for receiving expendable supplies and materials, inspecting them and approving payments. The items are purchased through Blanket Purchase Orders.
1. **Issuance of Blanket Purchase Orders** - This type of order is issued by the Purchasing Department at the request of various campus departments. The orders are for expendable supplies (not equipment) and cover a period of time during a fiscal year, project or grant period. They are for specified dollar amounts and show the name of authorized employees who can pick up the supplies from local vendors. Campus departments which use Blanket Purchase Orders are required to maintain a tracking log to ensure that the order amount is not exceeded and that invoices are authorized for payment. Attachment 8 shows a tracking log sample for implementation by using departments.

   A Receiving Report is issued for each Blanket Purchase Order. However, the report is not frequently used for acknowledging receipt of supplies since an order may involve several deliveries and pick ups and the document has no specific product or quantity information.

2. **Picking up supplies** - When department personnel pick up supplies under a Blanket Purchase Order, the vendor will issue an invoice. Sometimes the invoice is mailed directly to the University’s Accounts Payable Section. The invoice has to be signed legibly by the University employee who picked up the supplies, dated and must contain the Blanket Purchase Order number.

3. **Forwarding the invoice to Accounts Payable** - The department employee who picked up the supplies must ensure that the signed invoices are forwarded to the Accounts Payable Section, University Controller, Room 201, Foote-Hilyer Administration Center for payment. It is desirable that the signature of the employee’s immediate supervisor also be included on the invoice as an internal control measure. A Receiving Report is not required when using Blanket Purchase Orders. The invoice and employee’s signature will be used as proof of delivery. When signing invoices, follow the sample below:

   Signature of Employee________________________
   Received ______________________________________
   Date ________________________________________

   Delivery tickets or bills of lading serve as proof of delivery. However, they can not be used to make a payment. INVOICES are required for making payments.
Delivery tickets, when available, should be attached to the INVOICE and both should be forwarded to Accounts Payable. A copy should be retained by the campus department using the Blanket Purchase Order.

If by chance the vendor sends invoices to the Accounts Payable Section without an employee’s signature, it is the responsibility of the using department to check with the Accounts Payable Section, verify the validity of those invoices and authorize payment by signing them if the purchases are valid. If the charges are not valid, the using department will resolve the problem by contacting the vendor. If assistance is needed, the Purchasing Department should be contacted.

4. **Blanket Purchase Order Limitations**—These orders are for expendable supplies, not equipment and should cover a fiscal year, project or grant period.

Blanket Purchase Orders are not used for acquiring equipment, software and hardware. They are not to be used for securing items of a personal nature such as fancy pens, pictures, expensive briefcases and other unauthorized items.

**CHANGE ORDERS**

A Purchase Requisition is required for making a change to a Blanket Purchase Order which involves an increase or decrease in the order amount, date extensions and changes to the names of authorized personnel to pick up supplies. The Purchase Requisition is sent to the Purchasing Department for processing.

**CANCELLATIONS**

At the end of each fiscal year, project or grant period, a department can request cancellation of a Blanket Purchase Order by processing a Purchase Requisition or submitting a memorandum to the Purchasing Department. Also, the University Controller has authority to cancel a Blanket Purchase Order with little or no balance at the end of the fiscal year, project or grant period.

Before canceling a Blanket Purchase Order, a department must contact the Accounts Payable Section to
determine if that office has any unpaid invoices. If no invoice is pending payment, the order will be canceled.

   a. If the Blanket Purchase Order is still active in the Purchasing system, the request for cancellation is sent to the Purchasing Department. Contact the Purchasing Department first when initiating a cancellation.

   b. If the Blanket Purchase Order is not active in the Purchasing system, the request is sent to the Accounting Services Supervisor, Accounts Payable Section, FHAC Room 201.

CHAPTER 7

SHIPPING SERVICES

GENERAL INFORMATION

This chapter covers policies and procedures for incoming and outgoing shipping transactions. Generally, these transactions do not relate to a purchase or purchase order. These are shipments that take place between University departments and off campus entities independent from the Purchasing/Receiving functions. The procedures outlined below can assist campus departments in making or receiving shipments not connected with purchases.

INCOMING SHIPMENTS

Departments wishing to receive a shipment should request the shipper (company, University, vendor, individuals, etc.) to ship via UPS, Federal Express or similar service. These are door to door delivery services and this method of shipment is most desirable. Packages shipped via U. S. Postal Services will come to the University Post Office unless special delivery services are requested.

1. Incoming door to door shipments - The shipper will need a complete delivery address. Failure on the part of a department to provide a complete address to the shipper will undoubtedly and positively result in problems and delays. Note the helpful hints below:
SAMPLE OF INCOMPLETE/INCORRECT ADDRESSES

John Doe                  John Doe
FAMU                     College of Education
Tallahassee, FL 32307    Tallahassee, FL 32307

SAMPLE OF COMPLETE/CORRECT ADDRESS

Employee’s Name, Title    John Smith, Professor
Name of University       Florida A&M University
College/School Department School of Allied Health
Building, Room Number    Ware-Rhaney, Room 102
City, State, Zip Code    Tallahassee, FL 32307

NOTE: A street address is not used because neither the City of Tallahassee nor the U. S. Postal Service has assigned street addresses to the University. Instead, deliverers must rely on the unique zip code for the campus (32307), employee’s name, title, etc. as shown above.

2.Incoming shipments to the Receiving Warehouse
   - If a shipment cannot be made door to door as explained above due to size or weight of the package or other special reasons, ask the shipper (other than the U. S. Postal Service) to ship to the University Receiving Warehouse.

   In order not to confuse an incoming shipment with those made to the Receiving warehouse by vendors which involve purchase orders, use the shipping address format below. It will help differentiate shipments.

   Preferred Shipping Address

   Florida A&M University
   Receiving Department (Special)
   Tallahassee, FL 32307
   Attn: (Employee’s Name, Building and Room Number)

   When the Receiving staff see a package labeled in this manner, they will know that the package is not related to a purchase order and that it should be
delivered to the employee’s name shown, building and room number.

OUTGOING SHIPMENTS

The campus department must bring the package(s) to the Receiving warehouse wrapped properly and labeled with an address for shipping, otherwise the package will not be shipped. The Receiving warehouse has UPS services at their disposal.

If a freight/trucking line is required, the Receiving staff will make the necessary arrangements. The requesting department will be required to initiate a Purchase Requisition to pay for the charges. The truck line will be secured through a purchase order to be issued by the Purchasing Department.

OUTGOING SHIPMENTS THROUGH THE UNIVERSITY POST OFFICE

Another option for making shipments is via the University Post Office. Contact them for instructions.

CHAPTER 8

TOXIC AND DANGEROUS MATERIALS

GENERAL INFORMATION

This chapter is intended to provide general guidance on the handling of toxic and dangerous materials. In an effort to avoid injuries to employees, it is strongly recommended that all procedures relative to handling materials be properly and safely adhered to by campus departments and coordinating units such as the Purchasing and Receiving Departments.

1. TOXIC SUBSTANCES - In order to handle toxic substances properly, including dangerous materials, during the purchasing and receiving processes, campus departments must follow these helpful steps:

   a. Purchase Requisitions should be prepared by campus departments requesting that shipments of toxic substances and dangerous materials be made “directly” to the requesting campus department following the
manufacturer/shipping procedures. In such cases, the items will be delivered by the vendor/freight carrier directly to the designated address. These steps will help eliminate extra and unnecessary handling, thus minimizing the risks for accidents. See Chapters 2 and 7 for samples on how to prepare a Purchase Requisition showing special instructions such as direct shipments for handling toxic substances and dangerous materials.

b. Include additional information on the Purchase Requisition, if available, regarding packaging, warning labels and other signs to alert the department and receiving personnel of potential dangers. Also, indicate if employee’s safety gear or special tools are needed for handling such items.

c. Be sure to provide a name and complete address for the deliveries following the sample below:

   Employee’s Name, Title
   Florida A&M University
   Your College, School or Department
   Your Building Name and Number
   Tallahassee, FL 32307
   Your Telephone Number

d. Upon receipt of a Purchase Order or Receiving Report from the Purchasing Department, review the documents carefully with particular attention to the safety instructions contained therein.

e. If assistance is needed in determining safety requirements, the vendor or contractor should be contacted prior to the preparation of the Purchase Requisition. If additional assistance is needed, the following department should be contacted:

   Safety Officer
   Florida A&M University
   Environmental Health and Safety Department
   (Plant Operations Facility)
   Telephone Number: 599-3442

2. REPORTING ACCIDENTS - When accidents occur involving toxic and dangerous materials which cause injuries to employees or damage to property, they must be reported to the University Safety Officer at the address
and telephone number provided in the above paragraph. It is recommended that the facts and circumstance surrounding an accident be thoroughly documented and reported in writing to the University’s Safety Officer. If the injury is to an employee, the accident must also be reported to the University’s Personnel Department.

PLANNING PURCHASES

When the purchase of toxic and dangerous materials is considered, it is recommended that the Purchasing staff be included in the planning activities to provide assistance or coordination. This will ensure that instructions for the safe transport, receipt, handling, storage and use of toxic and dangerous materials are properly observed and practised. Contact the Purchasing Department at Ext. 3203, Room 210, Foote-Hilyer Administration Center, Campus when planning such purchases.

CHAPTER 9
ATTACHMENTS

GENERAL INFORMATION

The attachments to this manual are contained in a separate pamphlet published by the Receiving Department. A copy is found at the office of each Vice President, Dean and Director. Additional copies are available by contacting the Receiving Department.