

IMPORTANT INFORMATION FOR PREPARING A PURCHASE ORDER
Last updated 5/12/10

Once you submit a PO and all of the required documentation to the Purchasing Office please allow up to 48 hours to process the PO. Following these instructions will streamline the process.

1. **VENDOR NAME & ADDRESS/VENDOR CODE INFO.** Make sure the NAME and ADDRESS you have for the vendor completely matches what is in the vendor code information in PCS (MNSCU Purchasing Control System). If there is a discrepancy between your ordering information and the PCS system, please call the vendor to check if the PCS vendor code name, address, and tax ID information is accurate. If it is not, get accurate information from the vendor and work with Accounts Payable (who orders and updates vendor codes) to make the vendor code information is accurate before the purchase order is prepared and sent out.
2. **LINE ITEM DESCRIPTIONS.** Give complete descriptions and accurate information in each line item of the purchase order. This does several things - it clarifies to Purchasing what you are ordering so we can verify the correct object code; it helps Inventory know if anything needs to be marked and added to inventory; and it helps Receiving to check the items in when they arrive on campus - eliminating contact from each area trying to clarify the information.
3. **UNITS OF MEASURE.** Please use the correct unit of measure to help Central Receiving check in the order. When you are preparing the purchase order you can double click on the unit of measure category and all choices will come up for you to scroll through and pick the most appropriate. If you are ordering a "Box" or "Lot" or any unit of measure that might contain more than 1 item, it would also help to explain in the line item how many are in the box or lot, etc. This can be particularly confusing when the vendor substitutes an item that might come in a different unit of measure. Likewise, if you use the "Each" unit of measure, but there are several parts that combine to make up 1 Each, please explain that in the line item.
4. **FIRM QUOTE INFORMATION.** Many people are not following the firm quote guidelines (such as providing name, telephone # and date OR providing two firm written quotes on the same or comparable items – for example, comparing apples to apples, not apples to oranges). This means that your purchase order either gets sent back for corrections or Purchasing must call you to get better or more information. **Quotes must include an amount for applicable shipping/handling/freight or a statement that none will be charged.** Please print the guidelines from the following link and keep them at your desk for easy referral in following firm quote guidelines. http://www.bemidjistate.edu/offices/procurement_logistics/purchasing/price_thresholds/
5. **ATTACHMENT AND/OR FAX INFORMATION.** If you are sending over any paperwork related to the purchase order, please explain that in the memo section of the purchase order so we know to hold the purchase order until the related paperwork arrives. Also, if you want the purchase order faxed, please indicate that in the memo section, providing the fax number; otherwise the purchase order will be mailed.
6. **DELIVERY INFORMATION.** If you want the order delivered anywhere other than the primary delivery location for your department, please explain that in the memo section so the order doesn't have to be delivered more than once.
7. **PLACING THE ORDER.** The approved and processed purchase order from Procurement & Logistics is what officially places the order. Please do NOT place your order with the vendor prior to the purchase order being approved and processed in the Purchasing Office. There have been instances where departments have given the vendor the go-ahead for the order before the purchase order was approved and processed and there were problems with the purchase order or the quotes and the merchandise was already here. **PLEASE DO NOT DO THIS.** It is possible you could end up having to return the merchandise and pay freight or other return charges.
8. **DOING THE PURCHASE ORDER "AFTER-THE-FACT".** Doing the purchase order after you have already ordered or received the merchandise or service violates Minnesota Statutes 16A15, Subd. 3. You should always do the purchase order in advance, even if you only have an estimated amount to work with. The amount can be adjusted later if necessary. Summarizing the language in this statute, it is illegal for a state agency to place an order for goods or services until the agency has placed enough money in unliquidated encumbrance status to cover the estimated cost of the order (this is accomplished by the preparation of a purchase order). An expenditure or obligation authorized or incurred prior to encumbering funds is illegal and ineligible for payment until made valid and is in violation of MS 16A.15, Subd. 3. A knowing violation of this statute is just cause for the employee's removal.
9. **RECEIVING ITEMS WITHOUT A BSU PURCHASE ORDER.** If you are expecting shipment of any items to the university that do not require a BSU purchase order because they are free or they are paid for by Foundation funds, you should always notify Central Receiving in advance at 2873. (Also remember that items ordered with a purchasing card need the appropriate form completed and faxed to Central Receiving.) When freight is delivered to Central Receiving, the staff tries to match it with pending purchase orders or purchasing card paperwork to properly check it in, deliver it to the appropriate department, and process the paperwork that notifies Purchasing and Accounts Payable that it has been received and can be paid for. If there is no paperwork, they are wasting their time looking for it and delivery of the items to you will be delayed.
10. **TAX EXEMPT STATUS.** Remember that the university is tax exempt (except for vehicles, transportation, meals and lodging) and you may need to remind vendors of that when you are obtaining quotes. If a vendor requires proof of tax exempt status, we have a tax exempt certificate available on our website or we can send one with the purchase order if you tell us it is needed.

If you are already doing all of these things correctly, thank you! If you are not, please begin to do so now. Please print this message and keep it for easy referral, along with the guidelines at the website referenced above. Thank you!