Purchasing using a Purchase Order through a Non-Preferred Vendor

**IDENTIFY NEED**

Need is identified for a good or service that isn’t available through a University Department or Preferred Vendor.

**FIND SUPPLIER**

Research suppliers

Is purchase over $5,000 annually?

- Get bids - For help, contact Purchasing Resource Services (PRS). Complete Bid Documentation Form (BD-1) or Sole Source Justification Form (SSJ-1). For purchases over $25,000, PRS approval is required.

Is there a conflict of interest?

- Select vendor, negotiate best price. Inform vendor of NU tax-exempt status and if necessary, proof of tax-exempt status is available from PRS.

Have someone else make purchasing decision

- Look up/add vendor in NUPortal

**Applicable Policy/Training Notes**

- Financial Policies and Procedures
- Purchasing Resource Services
- Bid Process policy and information
- Items H (Bid Process) and I (Sole Source) in Purchasing Policy & Procedures
- Conflict of interest policy (research with NIH)
- Evaluative authority policy
- NU conflict of interest policy
- Guidance for Answering Staff COI Questionnaire
- Tax-Exempt status and resources
- Item R (Tax Exempt Status) in Purchasing Policy & Procedures
- Tax ID number is on Purchase Order
- Look Up/View Vendor Financial Policies and Procedures
- Item AC (Requesting New Vendors) in Purchasing Policy & Procedures
Requester creates a non-catalog REQuisition in NUFinancials (enter chart string and each item with corresponding details - quantity, description, price; attach any documentation (i.e. order form or quote); click Check Budget and submit REQ for approval)

Note: Check the appropriate Special Requisition box for Blankets, Subcontracts and Receive by Dollar Amount

Approver(s) receive(s) email notification, review(s), approve(s) REQ in NUFinancials

Note: If non-catalog and $25,000 or more, PRS must approve

Restricted commodity? (identified by Account Code)

Automatically routes to Office for Research Safety for approval

Sponsored chart string?

All sponsored project travel, equipment, consultants, subcontract purchases, regardless of amount, go to ASRSP for approval

All purchases over $2,500 automatically go to ASRSP for approval

If you have subcontracts, contact ASRSP for special procedures and processing

Purchase Order is automatically generated and sent to Vendor

- Item K (Special Requisition Types) in Purchasing Policy & Procedures
- Examples of when to use Receive By Dollar Amount

- Finance, Facilities, and Research Administration Training (Approvers Tab)

- Radioactive materials safety information
- Office for Research Safety
- Item M (Approvals/Workflow) in Purchasing Policy & Procedures
- It’s very important to use the correct restricted commodity account. Misclassification of expenses, especially restricted ones, may have serious consequences.

- ASRSP: Policies and procedures information
- Office of Cost Studies
- Research section of Policies website
- Item M (Approvals/Workflow) in Purchasing Policy & Procedures
- There are several resources for Sponsored project training. If you are new, your main resource is Research Administrator Training.
- Finance, Facilities, and Research Administration Training (Grants Tab)

- Purchase Order terms and conditions
- Various methods are used to dispatch POs based on vendors’ profiles; they can be sent over fax, email or by electronic file transfer.
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**Receive Order**
- Vendor delivers product or provides service
- Is good/service satisfactory?
  - Contact vendor; if problem with resolution, contact PRS
- Enter receipt in NUFinancials if over $500
- Invoice is sent to Accounts Payable
- Three-way match occurs (PO, invoice, receipt) and voucher is created by Accounts Payable
  - Payment is made to vendor
  - Contact Accounting Services with questions about vendor payment methods

**Pay for Order**
- Two-way match if total is under $500
- REQuisition and PO are closed automatically 15 days from payment/order completion.
  - For subcontracts, a PO Change Order (POC) must be submitted even if the balance is zero.
- Reconcile budget on a monthly basis.

**Close Order, Inventory, Recycle**
- Ready to dispose or recycle?
  - Use the Equipment Inventory and Disposal form

- Process Map created in partnership between HR Learning & Organization Development, Financial Operations and Accounting Services, Purchasing Resource Services, Accounts Payable, and Accounting Services for Research and Sponsored Programs.
- Please share your feedback about this Process Map by completing a brief survey.