



UNIVERSITY OF MIAMI POLICY AND PROCEDURE MANUAL

TITLE: Change or Cancellation of an Order

REFERENCE:

CATEGORY: Supply Chain Services

PAGE:

SUPERSEDES:

APPROVER: Phil Profeta

VERSION:

EFFECTIVE: 6/2016

I. PURPOSE:

To provide a procedure for the change or cancellation of a Purchase Order (PO).

II. SCOPE:

III. POLICY:

Once a purchase order has been issued and accepted by a vendor, it is a binding contract and can be changed or canceled only with the vendor's approval. An exception exists when the Purchasing Department has terminated the purchase order because of the vendor's non-performance.

IV. DEFINITIONS:

V. PROCEDURE:

Changing an Existing Purchase Order:

University employees making purchases must ensure the PO they use to place an order with the vendor is valid and has sufficient funds. Invoices must match the purchase order; otherwise, the invoices will reject and payment to the vendor will be delayed. New or additional items should be requested through a new purchase order whenever possible.

If a change to the purchase order is required, the ordering department should submit a change order request through UMeNET. Changes include increasing or decreasing the purchase order, changing accounts or subcodes, and/or changing the description of the item(s). The request to change the PO should be submitted in advance to avoid invoice rejections later.

Other Purchasing policies such as BSJ-015 Competitive Bids will apply to the total dollar amount of the revised PO.

<https://umshare.miami.edu/web/wda/policiesprocedures/Purchasing/PDF>

Version/BSJ- 015.pdf If an invoice is received by Accounts Payable (AP) and it does not match the purchase order, AP will contact the requesting department to notify of the discrepancy. If the invoice is correct, the requesting department must submit a change order request through UMeNET to change the PO to match the invoice. The requesting department is responsible for following through to ensure the change order is processed.

The department must notify Accounts Payable when the process is complete. Accounts Payable will then be able to issue payment to the vendor.

Closing a Purchase Order:

The ordering department should submit a Close PO Request through UMeNET when cancelling an order. The vendor must agree to the order cancellation. Otherwise, the University may still be responsible for payment.