

STANDARD OPERATING PROCEDURE: 5.0 ORDERING GOODS AND SERVICES

This procedure is in accordance with Procurement and Payment Policy [20.1.11](#).

Introduction

Once procurement authority (See [3.0 Sourcing](#)) has been established, there are a number of options for placing orders for goods and services. The best option for placing an order is dependent on the type of transaction the unit requires. These methods will be explained in the sections below.

For training and additional resources on Ordering Goods and Services, visit UPS' [Training and Resources](#).

Procedure Outline

- 5.1 Determining the Best Method for Placing an Order for Goods or Services**
- 5.2 Required Forms to Be Submitted with Each Order Request**
- 5.3 Change Orders**
- 5.4 Blanket Purchase Orders and Multi-Year Purchase Orders**
- 5.5 Purchasing Card**

Definitions

Blanket Order: A blanket order is a purchase order the unit makes with its supplier which contains multiple delivery dates over a period of time, often negotiated to take advantage of predetermined pricing. It is normally used when there is a recurring need for expendable goods.

Business Associate Agreement (BAA): This agreement is required when a unit is engaging services that includes: creating, receiving, maintaining, or transmitting Protected Health Information (PHI).

Check Request: An RU Marketplace form to request payment for certain expenses that do not require the involvement of UPS or the issuance of a purchase order (see the [check request matrix](#)).

Accessibility Purchasing Form –This form is to be used to provide the necessary information needed for an accessibility review. All electronic information technology (EIT) systems, applications, software, and services used by Rutgers University are required to be assessed for accessibility based on the Rutgers University Accessibility Policy, current adopted version of WCAG, and applicable state and federal laws.

Facilities Approval: Any purchase needs to be reviewed and approved in writing by the facilities manager if a unit is considering the purchase of new equipment requiring utilities, modification to an existing space, or if a hole will be dug or material change to the landscape is required. The approved document must get attached to the requisition.

Goods Request Form: An RU Marketplace form used to issue quantity-based purchase orders for tangible goods that are \$50,000 and over or for such requests, regardless of amount, not allowed to be issued on a Quick Order.



Independent Contractor or Employee Determination (ICED): This is a prerequisite document for guest lecturer, honorarium, or professional services engagements, that the prospective supplier must complete and must be reviewed and approved by UPS or University Tax Department prior to a procurement contract being entered into and any start of service.

Internal Purchase Order (IPO): A purchase order issued to order goods and services from other university service units, such as dining services or facilities related services.

Multi-Year Purchase Order: A purchase order issued to order services over the course of multiple years

Non-PO Upload: The non-PO upload process is a transaction process used for paying individuals rather than businesses. Payment is in the form of a check.

Procurement Authority: Procurement authority is the confirmation/validation that the procurement of goods or services conforms to the standards identified in the University's Procurement and Payment Policy 20.1.11.

Public Works Registration – This registration is needed for all facilities or constructions-based engagements (\$20,000 or greater).

Punchout catalog supplier: A contracted supplier that is electronically connected to RU Marketplace allowing the supplier to receive electronic copies of purchase orders as well as send electronic invoices to Accounts Payable.

Punchout Order – An order that is electronically submitted in RU Marketplace via the online catalog tiles in RU Marketplace.

Purchase Order: Is a legal document containing a description of the good or service requested, and terms and conditions of the transaction including, but not limited to, payment and delivery terms, for the purchase or lease of goods and services.

Purchasing Card (PCard): A university-issued credit card, to be used for purchases that are of low value and for goods and services.

Quick Order: A type of purchase order for goods under \$50,000 that are not among the [Restricted Items](#). A Quick Order does not require the review of UPS and will be sent directly to the supplier once the unit approvals are complete.

Service Request Form: Is an RU Marketplace form used to issue service-based purchase orders that are \$50,000 and over. Such requests, regardless of amount, are not allowed to be issued on a Quick Order.

Standard Operational Procedure (SOP): A set of instructions that functionally describes the key procedures.



Statement of Work (SOW): All service-based purchase requisitions should have a Rutgers Statement of Work attached. This SOW outlines the scope of services and all deliverables associated with the engagement. The SOW instructions will assist in completing the form.

Third Party Vendor Risk Assessment Form: This form assists units in evaluating the security/compliance of third parties or application service providers by requiring the supplier to disclose their method of managing and storing restricted, internal or public information. Rutgers' Office of Information Technology reviews the form and assesses the prospective supplier's processes, making a recommendation regarding moving forward with the supplier. The goal is to provide a safe environment for Rutgers' data, assets, resources, and confidentiality. This is a prerequisite examination which must be completed prior to a procurement contract being entered into by Rutgers.

Procedures

5.1 Determining the Best Method for Placing an Order for Goods or Services

It is a university requirement that a purchase order be issued prior to a supplier providing goods or services.

There are several methods for end users to obtain goods and service. The general order of preference is as follows:

1. [Internal Purchase Order \(IPO\)](#)
2. [Punchout Order \(PO\)](#)
3. Contracted Supplier
 - a. [Quick Order](#)
 - b. [Goods Request Form](#)
 - c. [Service Request Form](#)
 - d. [Check Request](#)

5.2 Required Forms to Be Submitted with Each Order Request

Each order request (Quick Order, Goods, Service, Check) is required to have attached, as back up documentation, a quote, proposal or estimate, etc. The back-up documentation should clearly state the supplier's name and contact information. Depending on the supplier or the type of engagement, additional form(s) or approvals may be required and must be attached to the purchase requisition. Instructions for completion and attachment of the form to the order request should be followed.

These additional forms include:

- [Business Associate Agreement \(BAA\)](#)
- Facilities Approval
- [Independent Contractor or Employee Determination \(ICED\)](#)

- [Public Works Contractor Registration](#)
- [Statement of Work](#)
- [Third Party Vendor Risk Assessment \(TPRA\)](#)
- [Accessibility Purchasing Form](#)

5.3 Change Orders

There are times when a unit needs to make a change to an existing purchase order. Reasons for changing an existing purchase order include:

- Increase/decrease the amount of a blanket order
- Increase/decrease quantity of an item
- Change in the scope of work impacting the cost of the order
- Canceling an order
- Closing an order (if remaining funds are on order)

Change orders cannot be issued for all types of purchase orders. Change orders can be issued against the following:

- Internal Purchase Order (IPO)
- Goods Request
- Service Request

Change orders cannot be issued against the following:

- Check Requests
- Quick Orders
- Punchout Catalog Orders

5.4 Blanket Purchase Orders and Multi-Year Purchase Orders

Blanket Orders

A blanket order is a purchase order the unit makes with its supplier which contains multiple delivery dates over a period of time, often negotiated to take advantage of predetermined pricing. It is normally used when there is a recurring need for expendable goods. Blanket orders must not stay open for longer than 24 months. Exceptions must be approved by University Procurement Services. It is also highly discouraged to limit blanket orders for punchout suppliers.

Multi-Year Orders

A multi-year purchase order is a purchase order that is opened for year-to-year service. Often, the first year is funded and the remaining years are funded at the beginning of each year.



However, any multi-year purchase orders that are associated with leases must be fully funded. It is highly recommended that any other multi-year commitments be fully funded.

Any project string or G/L string that is used to cover the first year of the agreement must be valid for the entire first year term. Subsequent years project string or G/L string may be changed prior to the beginning of the next year(s) or the agreement. Project strings or G/L string changes may only happen once at the beginning of the next year term of the agreement.

5.5 Purchasing Cards (PCards)

The Purchasing Card (Pcard) credit card program delegates purchasing authority and capability to eligible Rutgers staff. The Pcard, eliminates the need for low-dollar requisitions and is convenient for suppliers that do not accept POs. Using the Pcard provides quicker turnaround time, greater flexibility, and reduced paperwork on orders. The card may be used solely for purchases related to official Rutgers business.

Low-dollar items may be purchased with the PCard if the following *two* conditions are met:

- the item is not available from a university-contacted supplier or an internal supplier; and
- the purchase is necessary to the mission of the unit

References

Campus Instructions

- [Active IPO Search](#)
- [Check Request Processing Instructions](#)
- [Submit a Check Request](#)
- [Punchout Process Instructions](#)
- [Submit a Quick Order](#)
- [Submit a Goods Request](#)
- [Submit a Service Request](#)

Process Flowchart

- [Ordering Goods and Services](#)

Revisions

Effective Date	Approver	Change Reference	Issue #
06/2023	M. Gower		3