STANDARD OPERATING PROCEDURE:
6.0 SHIPPING AND RECEIVING

This procedure is in accordance with Procurement and Payment Policy 20.1.11.

Introduction

The university has shipping contracts in place with a few preferred suppliers that should be utilized for shipping goods and services. Units are responsible for proper receipt of goods and services and must follow up with the supplier if there are any shipment shortages or damages. It is encouraged that any shipment shortage or damages are documented within RU Marketplace.

For training and additional resources on Shipping and Receiving, please visit UPS' Training and Resources.

Procedure Outline

6.1 Shipping
6.2 Receiving Goods and Services
6.3 Mail Services

Definitions

Procurement team: In UPS, specific managers and analysts (are grouped to manage different categories of suppliers.

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

Unit/end user: Unit is the general term for a school or department and is used interchangeably with end user, who is any individual authorized to create requisitions or other procurement requests.

Procedures

6.1 Shipping

Units should consult University Procurement Services Find Products and Services for a listing of university shipping contracts. UPS will help with selecting the most favorable supplier for the unit's needs, assist with setting up an account, and ensure that discounted rates are applied. If this or additional procurement support is needed, units should submit a University Procurement Services Help Desk ticket.

Units are responsible for making sure that suppliers send their orders to the proper location. Shipping to a non-university address is typically not allowed, unless there is an appropriate business purpose to do

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so. Units must receive prior approval from UPS to ship goods to a location other than an official university address. See Shipping Process Instructions.

6.1.1   Hazardous Materials

All outbound shipments, including any pre-paid returns, which are considered or defined as hazardous, infectious or dangerous, should be directed through Rutgers Environmental Health and Safety. Please visit the Rutgers Environmental Safety Office (REHS) Dangerous Goods Shipping site to review detailed information regarding requirements.

When creating a requisition in RU Marketplace for the purchase of a good that constitutes Hazardous Materials, the unit end user should select the corresponding Health and Safety Commodity Code. They will be redirected to the REHS site, and their requisition goes through an approval process by REHS before it can be completed in RU Marketplace.

6.1.2   Payment for Shipping

It is the unit's responsibility to report any shipping damage to the shipping supplier as soon as possible. If shipping is paid by the goods supplier, then units should contact that supplier directly for resolution.

There are several ways to pay for shipping:

1) Invoices may be paid with a purchase order. This is the easiest way to account for shipping. Invoices may also be retrieved online if the supplier allows users to set up an account profile. This option is useful for tracking outstanding payments and ordering necessary shipping supplies. A requisition can be created for one or more invoices on a check request, attaching a copy of each invoice as supporting documentation.

2) Invoices may be paid with a blanket purchase order. This option is convenient if the unit regularly uses and is invoiced for a large volume of shipping services. The end user creating the requisition should communicate to the supplier that the blanket purchase order number must be listed clearly on all invoices in order for payment to be processed when sent directly to the PO Invoice Processing team in Accounts Payable.

3) If a unit uses the CampusShip Program, they should have an account set up with the University Procurement Help Desk. Their general ledger string and shipping priority options will be hard-coded to this account. Mass billing is done directly by Accounts Payable through an internal system in conjunction with UPS, similar to punch-out supplier payments. It is strongly recommended units sign up to participate in the CampusShip program.

4) The Procurement Card (PCard) program may be used to pay for shipping invoices in the event that the shipping service used is not part of a university contract.

6.2 Receiving Goods and Services

Units are strongly encouraged to receive goods through RU Marketplace after delivery from the supplier. When a unit creates a receipt against a purchase order in the system, the accrual hits the appropriate open period, therefore assisting the unit in managing their monthly reports, especially in cases where Accounts Payable has not yet processed payment on a supplier invoice. See Receiving Process Instructions.

Before being able to receive goods in RU Marketplace, there must be a valid purchase order to receive against. The action to create receipts will not be available if a purchase order is closed. Receiving at Rutgers University is done at the unit's discretion, except in the case of capital equipment, where system receiving is required.

Units are responsible for reviewing their deliveries and determining if the quantity delivered is equal to the quantity ordered.

6.2.1 Over-shipment by Supplier

1) If the unit wishes to keep the excess material, the unit will need to log in to RU Marketplace and access the Change Order file, and complete the PO Line Modification Form. For punchouts, units cannot use this form and should submit a University Procurement Services Help Desk ticket.
2) If the unit does not wish to keep the material, they will need to coordinate a material return with the supplier.

6.2.2 Under-shipment by Supplier

1) If the unit wishes to wait for the balance material, they will wait for the additional shipment and proceed with closing the order.
2) If the unit does not wish to wait for the balance, they will need to log in to RU Marketplace and access the Change Order file, and complete the PO Line Modification Form.

6.2.3 After the Shipment is Received

1) Once the shipment is received, units must create a Quantity Receipt in the purchase order, within RU Marketplace.
2) RU Marketplace then creates a receipt document number.
3) The purchase order status changes to "fully received."
4) The supplier sends the invoice.

6.2.4 Invoice Disputes

Invoice disputes can arise when the purchase order is fully received but an incorrect invoice is sent by the supplier. Invoices can be incorrect due to erroneous quantities or pricing, if items invoiced do not match the items on the purchase order, or if the goods/services provided do not meet the standards required by the unit. Units should be diligent in reviewing their invoices for accuracy.

When an invoice is processed through RU Marketplace, it is routed automatically under hard-coded matching rules. Incorrect invoices that do not comply with these rules route to specific queues monitored by Accounts Payable.

When an invoice dispute is found (See 7.0 Invoicing), an account expeditor may advise the unit to contact the supplier to resolve an invoice dispute. When the unit is satisfied with the resolution, they would then notify Accounts Payable on how to proceed with the invoice payment or cancelation.

6.3 Mail Services

Rutgers University Mail Services is the mail distribution hub available for all units for regular mailing needs. Mail Services functions as an internal supplier in RU Marketplace and are paid via an internal purchase order. Visit Mail Services Website for the full scope of services provided.

References

Campus Instructions
Shipping Process Instructions
Receiving Process Instructions

Process Flowchart
Shipping Flowchart
Receiving Flowchart

Revisions

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