Benefits of Creating a Purchase Order:

- Prioritized contract pricing
- Upfront charging validation
- Commitment is made
- Details of goods and services provided
- Terms and Conditions are met
- Workflow of payment (invoice is not handled on the back end)
- Clarity of agreement between department and vendor
Important Tips for SciQuest:

- Commodities that should **only be purchased** in SciQuest, for any dollar amount
  - Chemicals
  - Computers and Supplies
  - Lab Equipment and Supplies
  - Office Supplies
- Users are able to request new SciQuest vendors via SciQuest and are processed in 24-48 hours
- SciQuest POs should be used for conferences and other organized events, consulting services (with a Professional Service Agreement) and other professional services. OK2Pays are no longer appropriate for these goods and services.
- Commonly Used Forms – Standing Order, Change Purchase Order, Cancel PO or Close PO Commitment
- Resources - [purchasing.helpdesk@yale.edu](mailto:purchasing.helpdesk@yale.edu) : Purchasing questions and ITS Help Desk: (203) 432-9000 : Technical Questions
- Additional Information for SciQuest : [http://yalebiz.yale.edu/transactions/sciquest](http://yalebiz.yale.edu/transactions/sciquest)
Example of a Standing Purchase Order (PO)

- A Standing Purchase Order should be created when the purchase of multiple items will be billed with several invoices at different times

- Important practices to remember concerning Standing Purchase Orders (PO)
  - Vendor who is invoicing for goods/services needs to be the same vendor name in which the purchase order is set up for
  - A vendor should include purchase order number on all invoices being submitted against that specific purchase.
  - Charging instructions (PTAEO) used for purchase order needs to be a valid PTAEO, and should be valid during the life of the PO
  - Unit Price = $1.00 and Quantity = Total PO Amount
  - A Standing Purchase order can be updated. (i.e PTAEO, Dates, Additional Money)

Note: Billing Address and Billing Information sections are included on all PO’s that the vendor receives, providing the vendor complete directions on how to invoice Yale University to ensure a smooth and accurate payment process.
Example of a Standard Purchase Order (PO)

- A Standard Purchase Order should be created when the purchase of defined item(s) that will be billed against one invoice.

- Important practices to remember concerning Standard Purchase Orders (PO)
  - No changes or updates can be made to a Standard Purchase Order (PO)
    - Cannot add money, change PTAEO, quantity etc. You must Close PO and create a new standard purchase order.
  - Vendor who is invoicing for goods/services needs to be the same vendor the PO is set up for.
  - The quantity ordered and received needs to reflect the same quantity used on PO
  - Cannot add money or quantity to an existing purchase order. A new purchase order will need to be created.
  - A vendor should include purchase order number on all invoices being submitted against that specific purchase.
  - Charging instructions (PTAEO) used for purchase order needs to be a valid ptaeo, and should be valid during the life of the PO.

Note: Billing Address and Billing Information sections are included on all PO’s that the vendor receives. This provides the vendor complete directions on how to invoice Yale University to ensure a smooth and accurate payment process.
Purchases of Goods and Services

Competitive Bidding

✓ Yale’s competitive bidding threshold is $10,000
✓ Requirement to obtain verbal bids no longer applies
✓ Purchases with non-contract vendors >= $10K must be negotiated or competitively bid.
   For more information:  
   http://policy.yale.edu/procedure/3201-pr02-competitive-bidding-process

Professional Service Agreement (PSA)

✓ Agreements for services and/or consulting that total payments in excess of $10,000 per engagement
✓ All agreements must be signed by an authorized signatory of the external service provider and approved and signed by authorized University official(s), as defined in Procedure 3210 PR.01, before the work begins.  Please refer to policy 3210.2 Initiating and Processing Professional Services and Consulting Agreements (PSAs) for additional information.
✓ For additional questions contact purchasing@yale.edu.

Sole Source Form

✓ Departments must provide a sole source justification in situation where competition is not appropriate:
   http://policy.yale.edu/forms/3205-fr03-sole-source

Note: Purchasing Services will review orders >= $10K for savings opportunities
CLOSING PURCHASE ORDER COMMITMENTS VS. CANCELING PURCHASE ORDERS

Close PO Commitments

To use when PO good/services have been fully received and fully invoiced, processed and paid. The balance, if any, needs to be relieved from the PO. (Closed)

New Process to Close PO Commitments (Beginning May 1, 2014)

Purchasing Services has upgraded the current Cancel Purchase Order Form in SciQuest to include requesting PO commitment closure.

This SciQuest form replaces the current process of emailing po.commitments@yale.edu.

Please use this new form, named Cancel PO or Close PO Commitment, when requesting either of these services.

Once form in completed in Scquest - PO is “Finally Closed” and no future action can be taken against that specific PO
  ▪ There is NO notification sent to the vendor because it is meant as an internal commitment relief process/
  ▪ BUG 310A, can be run to view all Open PO Commitments

Note: PO commitment cannot be “Finally Closed” as long as there is an open invoice against the PO. Once invoice has been posted, PO can be finally closed and commitment relieved.

Cancel a Purchase Order

A Purchase order should be cancelled when a Purchase order has been created and either the whole PO or specific line is not needed any longer

  ▪ Department notifies the vendor that PO is being cancelled.
  ▪ Department goes into the SciQuest application and completes the appropriate form to cancel Purchase Order
Example of the Cancel Purchase Order Form

**NOTE:**

- PO is “Cancelled” but could possibly still have an outstanding invoice processed against it.
- Vendor is notified by Procurement that Purchase Order has been cancelled
## What Can Go Wrong That Could Delay or Prevent Accurate & Timely Payment

- Vendor or site/address is not setup or active in the vendor database or set up for Sciquest
- Correct type of Purchase Order was not set up
- Invalid PTAEO (Charging Instructions)
- Purchase Order (PO) invalid, PO Closed, Line Item not on PO, Name on PO does not match Name of Invoice, Quantity on PO is wrong vs. Quantity on Invoice
- Invalid Approver/Authorizer

## What Can Be Done to Ensure a Smooth Process

- Verify the vendor is active and remit to address is correct in Vendor Database. How? Check in Procurement Inquiry search by supplier, or contact the Yale Shared Service Contact Center. If the vendor is set up you can verify it is in SciQuest by searching in SciQuest
- Be sure you have set up the correct type of purchase order. Standard vs Standing
- Verify PTAEO is valid through PTAEO validator before sending invoice to AP for payment [https://www-iisp1.its.yale.edu/onlineval/ptaeoval.asp](https://www-iisp1.its.yale.edu/onlineval/ptaeoval.asp)
- Do Not Close PO until all invoices have been processed against that specific PO
- Do not order additional goods against an existing PO. Create new PO through SciQuest
- Verify Approver/Authorizer is a valid disbursement approver in START. Name and signature are legible

### Where to Submit

<table>
<thead>
<tr>
<th>Inquiry</th>
<th>Brief Description</th>
<th>Email Address</th>
</tr>
</thead>
<tbody>
<tr>
<td>Purchasing Help Desk</td>
<td>Any questions concerning purchase orders, purchase requisitions or vendor contact information, Professional Service Agreements, Quotes.</td>
<td><a href="mailto:purchasing.helpdesk@yale.edu">purchasing.helpdesk@yale.edu</a></td>
</tr>
<tr>
<td>IT Helpdesk</td>
<td>Any technical issues with Sciquest or Procurement Web Page</td>
<td><a href="mailto:helpdesk@yale.edu">helpdesk@yale.edu</a> or call 432-9000</td>
</tr>
</tbody>
</table>