

# *Policies and Standards*

<i>SECTION:</i> <b>Purchasing</b>	<i>NO.</i> <b>3.9</b>		
<i>CHAPTER:</i> <b>Process</b>	<i>ISSUED:</i> <b>1993</b>	<i>REV. A</i> <b>11/00</b>	<i>REV. B</i> <b>02/07</b>
<i>POLICY:</i> <b>Purchase Orders – Open, Standing, Recurring</b>	<i>PAGE 1 OF 2</i>		

## **PURPOSE**

To define open, standing, and recurring purchase orders.

## **SCOPE**

This policy applies to all Creighton-funded transactions.

## **POLICY**

**Open purchase orders** are issued to a supplier for an annual dollar amount. Items can be ordered any time during the fiscal year of issue re-using the same purchase order number. Equipment valued over \$1,000 may not be purchased on an open order. Open orders for less than \$500 are reviewed by Purchasing. Suppliers who accept open orders have the potential of providing hazardous materials. No orders for any type of hazardous materials may be placed using an open order. All hazardous material must be purchased by use of the regular requisition process.

**Standing purchase orders** are issued for purchases which can be itemized and quantified for annual usage such as maintenance/service agreements and contracts. No standing order is issued for less than \$500, excluding monthly billing for services. The maximum number of items that may be listed on a standing order is 30 items. Only specified items can be purchased using the standing purchase order number.

**Recurring purchase orders** are issued for contracts/services that contain consistent regularly scheduled payments. Recurring orders may include rent, lease, finance and service agreements. Payments are sent to the supplier automatically the same day each payment period. When a new recurring payable is established, the requesting department supplies all contractual documentation.

## **PROCEDURES**

Open, standing and recurring order numbers are manually assigned by Purchasing. The fiscal year is used as the prefix for ease of recognition, followed by four numbers. Three separate sequences are used.

Open Orders XX-0001 to XX-4999  
Standing Orders XX-5000 to XX-7999  
Recurring Orders XX-8000 to XX-8999

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Requesting departments must use the transaction date of July 1 when entering orders into the financial system prior to that date. This ensures that the transaction is posted to the new fiscal year.

For maintenance contracts, be sure to list equipment, serial numbers, and pricing.

Standing orders need to indicate if provided pricing is an estimate.

## **ADMINISTRATION AND INTERPRETATIONS**

Questions regarding this policy or procedure should be directed to the Director of Purchasing.

## **ADMENDMENT/TERMINATION OF THIS POLICY**

The University reserves the right to modify, amend, or terminate this policy at any time.