

Ball State University  
Purchasing Department  
Policy: Department Purchase Order PUR220

General

The Department Purchase Order ("DPO") is an option within the FRS Purchasing system of the University that provides autonomy to departments to issue a purchase order but with a limited-dollar cap of \$1000.

A DPO is issued as an offer to purchase by the university, and acceptance is a legal commitment by the vendor to supply the university with goods and services. A DPO is generally used for a one time purchase of known goods and/or services.

DPO numbers begin with the letter "D" and must include essential pieces of information such as purchase order number, requisitioner name and location, delivery instructions, costs of goods and/or services, terms and conditions of the order, quantities and units of measure, and a description of goods and services ordered.

DPOs do not require acknowledgement of receipt of goods in the FRS Purchasing system. They are established as a 2-way match (purchase order quantities and prices match invoice) and payment is released 30 days from invoice date.

DPOs may not be used for items stocked in Central Stores, for supplies or services when the vendor is a BSU employee or the vendor is owned by a BSU employee, leases, insurance, legal services, maintenance agreements, or employee travel.

DPOs will not be issued until approvals and budgetary requirements are met.

Ball State University is exempt from Indiana sales tax and therefore DPOs are issued with this information in the purchase order ("PO") terms and conditions.

Procedures

1. DPOs are created by departmental representatives and may require electronic approvals by department or administrative heads or the Contracts & Grants Office. DPOs are viewed in the FRS Purchasing system on screens 22D header information that describes the vendor and the departmental information, 22S line items description that includes quantities, unit of measure, and prices, and 22T a summary of order that initiates electronic budget check and sets approvals which are viewed on screen 222.
2. DPOs are issued with a PO type defined within the FRS Purchasing system as DP. The PO type determines the type of information that will be a condition for payment to the vendor. PO type DP is a 2-way match which is a purchase order designed to match an invoice and then permit payment generated by the FRS Accounting system.
3. The departmental representative is responsible for selecting the vendor and entering the account number used for distribution of internal charges.

4. Distribution of DPOs to vendors can be accomplished through telephone conversation by the departmental representatives. The Purchasing Office will be responsible for mailing or faxing paper copies of the Departmental Purchase Order.
5. The department is not issued a paper copy of the DPO unless a specific request is entered into the FRS Purchasing system. The department may review their DPOs in the FRS Purchasing system.
6. Change orders (PUR235) are occasionally required due to conditions in the DPO that must be documented to allow for alterations or addendums to the original DPO. Departmental representatives will be responsible for documenting the changes to the order.

It is against the University policy for anyone to encumber the University for goods or services without processing the appropriate request to purchase and having an approved purchase order established.

Responsibility:

Purchasing Department  
Finance Office

Other Departments Affected:

All BSU departments