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| PURCHASING STANDARD OPERATING PROCEDURES (EXTERNAL) | | NO: PX-145 |
| Title: Payment Enclosed Purchase Orders | | Approved: |
| Date: Dec 15, 2016 | Supersedes: Oct 20, 2000 | Page 1 |

1. **PURPOSE**

The purpose of this memorandum is to outline procedures for payments to accompany a purchase order when it is submitted to the vendor.

2. **SCOPE**

This procedure applies to all purchase orders requiring payment in advance.

3. **GENERAL**

It is the policy of the school district to only pay invoices after the goods have been received in good order or the services rendered. However, a vendor may require payment in advance prior to shipment of goods or commencement of work. These are exceptional conditions and, generally, the goods or services should be obtained from vendors that do not require advance payment if available elsewhere. "Payment Enclosed" purchases will be authorized on a case by case basis. Authorized prepayments include:

Purchase of subscriptions to periodicals
 Registration for conferences
 Membership fees
 Rental deposits

4. **PROCEDURES**

If it is desired that payment be enclosed with a purchase order, when entering a requisition, import the ***PAYMENT ENCLOSED*** standard message into the General Notes field in the requisition header. Attach appropriate documents to the purchase requisition that establish (1) that prepayment is required and (2) that allow the business office to verify that the amount indicated on the purchase requisition is correct.

Additionally, provide justification for the prepayment for other than the above (paragraph 3) authorized prepayment transactions.

If a requisition is submitted requesting prepayment but the appropriate documents as referenced previously are not attached, the requisition will be processed as a normal purchase order and no check will be issued in advance to the vendor.