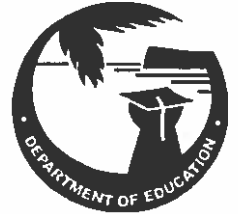




DEPARTMENT OF EDUCATION OFFICE OF THE SUPERINTENDENT

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JON J. P. FERNANDEZ
Superintendent of Education

STANDARD OPERATING PROCEDURES

SOP#: 200-020

SUBJECT: Open Purchase Order Monitoring and Reporting

INQUIRIES: Office of Supply Management

I. APPLICABILITY:

This Standard Operating Procedure (SOP) shall apply to all open Purchase Orders current and carry-forward, obligated by any funding source managed by the Guam Department of Education (GDOE). All US Department of Education grant funded procurements are processed on the Third Party Fiduciary Agent (TPFA) MUNIS system. All other procurements are processed on the GDOE MUNIS system.

This SOP supersedes all previous SOPs relevant to this topic.

II. PURPOSE:

The purpose of this Standard Operating Procedure is to outline the roles and responsibilities of each party associated with monitoring and maintaining the GDOE Open Purchase Order File. Effective monitoring and management of Open Purchase Orders ensures timely payment to GDOE vendors and accurate reporting of account balances.

III. GENERAL:

Background

An entry appears on the Open Purchase Order report because one of the following situations exists:

- Goods or Services have been ordered but have not yet been received.
- Goods or Services have been ordered and delivered but indication of receipt has not been entered in the GDOE Munis System Financials application.
- Goods or services have been ordered, delivered, and received but the Purchase Order has not been closed.
- Prepayment request to an off island vendor has not been processed.

Purchase Order:

A GDOE generated document that authorizes a purchase transaction. When accepted by the seller, it becomes a contract binding on both parties. A purchase order sets forth the descriptions, quantities, prices, discounts, payment terms, date of performance or shipment, other associated terms and conditions, and identifies a specific seller.

Open Purchase Order Report:

Report that identifies purchase orders that are not Status-0 Closed in Munis. Note: Purchase orders with a zero (0) balance can appear on the open purchase order report if the purchase order has not been closed. Purchase orders that require prepayment will report as a zero balance. Business Office requires documentation that items were received or services were rendered prior to closing the purchase order.

IV. PROCEDURES:

Office of Supply Management

On a monthly basis, the Office of Supply Management will generate an Open PO by Location Report for each GDOE Administrator/Manager and Deputy Superintendent to review and take appropriate action.

Supply Management Administrator will coordinate the efforts of Administrators/Managers, Vendors and Accounts Payable staff to resolve any issues which may require further action.

Administrators/Managers (End Users)

On a monthly basis the Administrator/Manager will be required to review the Open Purchase Order Report.

The following analysis should be performed on all Open Purchase Orders:

- If no further receipt of goods or services is expected, indicate that the Purchase Order should be closed. A purchase order modification should be prepared and submitted for processing, see SOP 200-038 PO Change Order.
- If the goods or services have been delivered but the order remains open, it may be because the item(s) have not been "received".
 - In the GDOE Munis, Accounts Payable cannot initiate the payment process without indication of receipt. The Administrator/Manager or appropriate designee must "receive" the goods in the GDOE Munis.
 - In the TPFA Munis, confirmation of receipt of goods or service must be provided to the TPFA before payment can be made.
- All invoices received by the Division/School require the following:
 - Once goods or services have been received in the GDOE Munis, end users must upload the signed invoice to that PO in the purchase order receiving module for all GDOE Purchase Orders.
 - Third Party Fiduciary for all TPFA generated Purchase Orders.
 - All original invoices should be promptly provided to the Accounts Payable Section
- Follow up should be made with vendors who have not provided services or goods by due date and determination made if purchase order should be closed.

***** IT IS THE RESPONSIBILITY OF THE END USERS TO FOLLOW UP ON GOODS THAT HAVE NOT YET BEEN RECEIVED ON THEIR OPEN PURCHASE ORDERS. UNLESS OTHERWISE SPECIFIED, GOODS AND SERVICES ARE EXPECTED TO BE DELIVERED WITHIN 90 DAYS OF ORDER. ****

Accounts Payable

Facilitate payment to vendors for goods or services, which have been properly ordered, delivered, "received", and invoiced. Accounts payable can fully liquidate purchase order, when items have been 1) fully received 2) fully invoiced and 3) if remaining balance on purchase order is less than 5% of total purchase order.

If items have not been delivered within the delivery period, vendors and relevant end users will be notified that POs will be closed.

V. RESPONSIBILITIES:

Vendors:

- Responsible for delivering goods or services as stipulated in the purchase order in a timely manner.
- Responsible for submitting invoices for payment to the GDOE Business Office or TPFA in a timely manner.

Administrator/Manager:

- Responsible for monitoring and timely liquidation of all Open Purchase Orders initiated by their Division/School.
- Responsible for ensuring goods or services received meet the specifications in the purchase order or contract.
- Responsible to ensure all items are received in Munis for GDOE Purchase Orders or documenting receipt to the TPFA when goods are received or services have been rendered.
- Responsible for forwarding invoices received to the Business Office or TPFA as applicable.

Office of Supply Management

Responsible for generating and transmitting the following reports:

Timing	Report	Recipient
Monthly	Open PO by Location	Administrators/Managers/Deputy Superintendents

VI. INTERNAL CONTROL:

Monthly reporting of open purchase orders.

VII. TRAINING:

Training on this SOP shall be conducted at least annually.

VIII. REPORTS:**Open Purchase Order Report:**

Report(s) that identify purchase orders that are not Status-0 Closed in Munis.

- Open PO by Location: a report that identifies open purchase orders, sorting the purchase orders by the location that initiated the purchase order.

IX. PENALTY

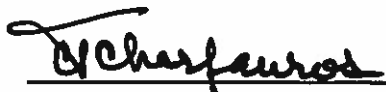
Failure to adhere to this SOP may result in disciplinary action in accordance with the GDOE Personnel Rules & Regulations.

X. EFFECTIVE DATE

Upon date of approval and signature, unless otherwise noted. This SOP will supersede all previous SOPs governing the same topic.

XI. CHANGE(S): Changes to this policy shall be effectuated by the Superintendent of Education.

Approved by:



Carmen T. Chaffauros
Supply Management Administrator

3/7/18

Date



Taling M. Taitano
Deputy Superintendent of Finance and Administrative Services

3/7/18

Date



Jon J. P. Fernandez
Superintendent of Education

4/13/18

Date