

DCCCD BUSINESS PROCEDURES MANUAL
4.0 - PURCHASING
SECTION 4.9.0 – Closing/Voiding Purchase Orders

Reviewed 7/21/05
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Purchase Order Close/Void

4.9.1

Purchase orders and blanket purchase orders can be closed or voided, depending on whether or not (1) the associated requisition is to be re-used or (2) if there have been payments made against the order. Before an order is closed or voided, steps must be taken to verify that there are no additional or outstanding invoices to be entered if it is a purchase order, or that there are no additional releases to be entered if it is a blanket purchase order. District Accounts Payable should be contacted to verify there are no outstanding invoices associated with a purchase order/blanket purchase order prior to closing or voiding it.

A. Closing a Purchase Order/Blanket Purchase Order

1. When a purchase order or blanket purchase order has been closed, the associated requisition cannot be re-used.
2. Purchase orders are typically closed when it is determined that some and/or all of the goods or services appearing on an order are no longer available from the vendor, or the vendor cannot provide delivery in an acceptable timeframe.
3. Blanket purchase orders are fiscal-year sensitive (except construction-related orders) and are typically closed to release any remaining encumbered funds at the end of the fiscal year. Blanket purchase orders for contracted goods or services will require closure during the fiscal year if the term of the associated contract expires at a time other than August 31st.
4. A purchase order or a blanket purchase order must be in 'Outstanding' status when it is closed in order to properly release the associated encumbered funds. For audit/tracking purposes, a notation must be made in the order's comments field detailing who requested the closure, the reason for the closure, who processed the closure, the date of the closure, etc.
5. **NOTE:** Unless the vendor defaults, closing a purchase order generally does not relieve the district from its obligation to pay the vendor for those goods or services as ordered unless the vendor agrees to the cancellation.

B. Voiding a Purchase Order/Blanket Purchase Order

1. When a purchase order or blanket purchase order is in 'Voided' status, the associated requisition can be re-used.
2. A purchase order or blanket purchase order can ~~only~~ be voided only if there have been no payments made against it. If payments have been made, the order must be 'Closed' to become inactive.

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3. Once an order is voided, the requisition becomes disconnected from the order and is returned to an active status, which allows it to be taken to a new order. A voided order is typically one that, for whatever reason, should not have been created in the first place.

C. Authority for Closing/Voiding Orders

1. Each campus Business Office is responsible for closing or voiding orders it has issued, but is not authorized to close or void any order issued by the District Purchasing Department or any other campus.
2. Requests to close or void an order issued by the District Purchasing Department are to be emailed by the campus VPBS, DBO or designee to the buyer of record who generated the order.
3. Requests to close or void a campus-generated order should be submitted to the campus business office.