



EDUCATE | INSPIRE | EMPOWER

Purchasing Policy & Procure-to-Pay

A GUIDE FOR FACULTY AND
DEPARTMENT STAFF

*Understanding the Process.
Supporting Our Mission.*



COMPLIANT
PRACTICES



RESPONSIBLE
STEWARDSHIP



STRONGER
BUSINESS OPERATIONS



A BRIGHTER
TOMORROW

A
STRONGER
TOMORROW
TOGETHER

PEOPLE | PURPOSE | POSSIBILITIES

What you will be able to do

Recognize a purchase

Know when an action creates a financial commitment for JU.

Speak the language

Understand the definitions of requisition, PO, encumbrance, receipt, invoice, voucher, and contract.

Follow the flow

Move a need through the procure-to-pay process in the right order.

Manage your budget

Use POs and encumbrances to see committed—not just spent—funds.

Choose the path

Know when quotes, competition, contracts, or Procurement Services help are needed.

Avoid getting lost

Prevent after-the-fact POs, split orders, unauthorized commitments, and payment delays.

Starting Point: What is a “purchase”?

A purchase is any commitment of University funds in exchange for goods or services.

It is much broader than buying a physical item.

Order supplies

Schedule a repair

Start consulting work

Buy software / subscription

Register for an event

Rent equipment / space

Accept online terms

Tell a vendor “go ahead”

Key Takeaway: The purchasing process begins before the invoice arrives—and before the vendor begins work.

A purchase is not an invoice

PURCHASE

The decision and commitment to obtain goods or services.

It happens when JU authorizes an order, work, service, subscription, rental, or other obligation.

Think: “We are committing University funds.”

INVOICE

The vendor’s request for payment after goods or services have been provided (or according to agreed billing terms).

It tells Accounts Payable what the vendor says JU owes.

Think: “Please pay us.”

The invoice is near the END of the process—not the beginning.

Why did JU revise our purchasing policy?



Protect University resources

Spend for approved business purposes and obtain the best value possible.



Know what is committed

Ensure budget is available and reserved before the bill arrives so departments can make informed decisions about what is spent and what is obligated.



Use fair, ethical processes

Allow for competition and consistently treat vendors fairly.



Manage risk & obligations

Review terms and conditions, such as insurance, confidentiality, liability, termination provisions, performance measure, and other risks before commitment.



Create an audit trail

Document who approved what, why, for how much, and what was received to ensure financial controls are maintained.

A policy is a control system, it helps JU make the right commitment, with the right authority, at the right time.

The purchasing language — in plain English

Requisition

Internal request: “May JU buy this?”

Purchase Order (PO)

JU authorization: “Vendor, you may proceed.”

Encumbrance

Budget reserved for an approved commitment.

Contract

Binding terms: rights, obligations, scope, price, risk.

Receipt

JU confirms goods/services were received and acceptable.

Invoice

Vendor asks JU for payment.

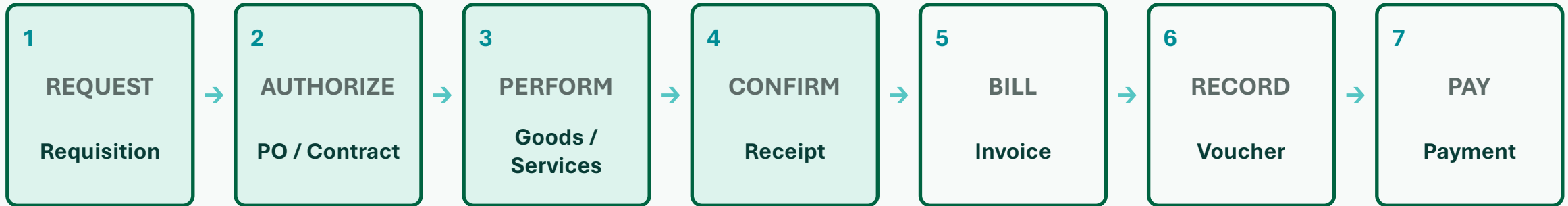
Voucher

AP’s internal accounting record of the invoice.

Payment

JU settles the approved amount due.

How the documents connect



Do not reverse the order.

Receiving an invoice does not retroactively create approval to purchase.

Simple Rule: Obtain the appropriate approval and purchasing document before committing JU funds or asking a vendor to begin work.

Procure-to-pay: the complete journey



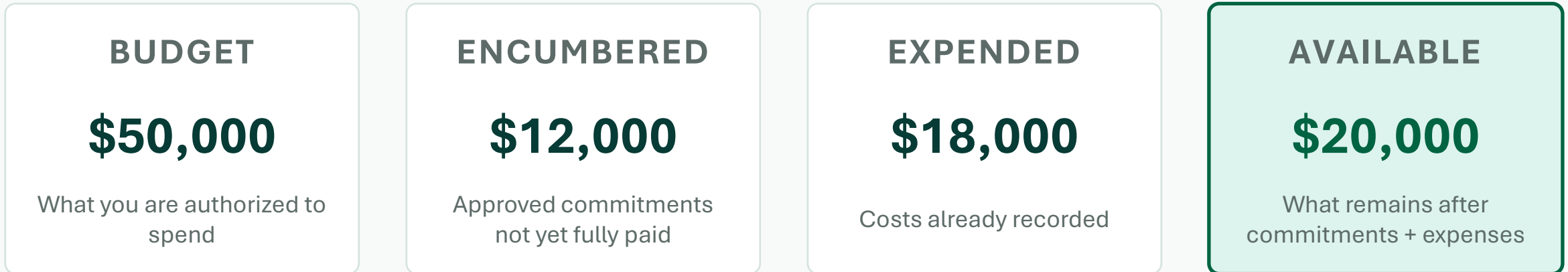
What the department requester owns

- Accurate business purpose, scope/specifications, total cost, dates, and accounting
- Required quotes, vendor/proposal/contract support
- No vendor commitment before authorization; timely responses during review
- Prompt receiving and communication of damage, shortages, disputes, or changes

Your budget has three different stories

Example:

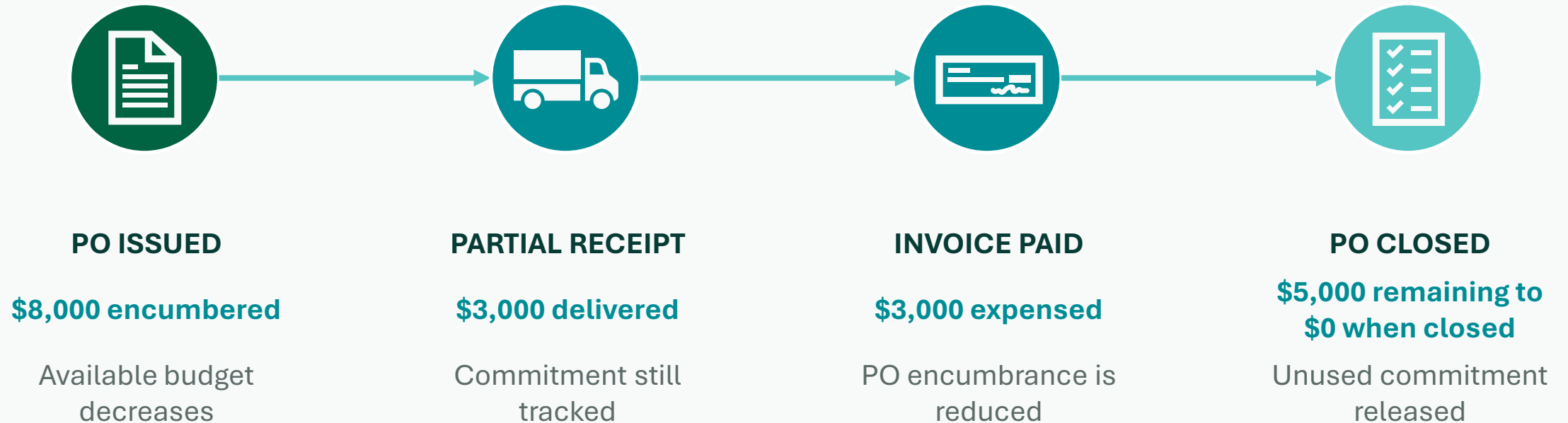
Department budget = \$50,000



$$\text{\$50,000} - \text{\$12,000} - \text{\$18,000} = \text{\$20,000 available}$$

If you look only at expenses, you may think you have \$32,000 left—even though \$12,000 is already committed.

What does a PO do for your budget?



Encumbrance = “We have promised these funds.”

Expense = “The cost has been recorded.”

Payment = “Cash has been disbursed.”

Before you submit a requisition

- 1 What do we need?** Define specifications, scope, quantity, dates, and business purpose.
- 2 What is the total commitment?** Include shipping, implementation, renewals, maintenance, and other fees.
- 3 Where is the funding?** Confirm sufficient available budget and correct funding source.
- 4 Is there an existing path?** Check University term contracts, preferred vendors, cooperative contracts, or approved methods.
- 5 What lead time is needed?** Allow time for vendor setup, quotes, sourcing, contract/risk review, approvals, and PO issuance.

An available budget balance means funds may be available. It does not authorize a purchase.

Before JU commits funds, authorization comes first

A budget tells you funds exist. It does not give permission to spend them.

Obtain the appropriate approval and purchasing document BEFORE committing JU funds or asking a vendor to begin work.

Budget = Capacity

Your approved budget establishes that resources are available for an allowable purpose. It does not authorize a transaction.

Approval = Permission

The required reviewers confirm the need, funding, risk, and purchasing path before JU commits.

PO / Contract = Commitment

The purchasing document communicates JU's authorized commitment to the vendor and creates the audit trail.

Purchasing is a financial control—not paperwork for paperwork’s sake

1

Authorize

Confirms the right people approve the commitment before it is made.

2

Plan

Confirms funding and captures commitments before invoices arrive.

3

Compete

Uses competition or approved contracts to support value and fairness.

4

Protect

Reviews contractual, operational, financial, and compliance risk before commitment.

5

Document

Creates a clear record for audit, accounting, accreditation, and payment.

The Goal: Make the commitment visible early enough to manage it—not discover it when the invoice arrives.

Different Paths. Same Destination.

COMPLIANT | EFFICIENT | RESPONSIBLE | TOGETHER

A
STRONGER
TOMORROW
TOGETHER
—



“How are we allowed to buy this?”

The method of procurement is the authorized sourcing path—not the way you pay.

University Term Contract

Mandatory campus-wide master agreement

JU Contract

Existing JU agreement; not necessarily mandatory

Cooperative Contract

Competitively established contract JU may leverage

Micro / Discretionary

Under \$2,500; good purchasing practices

Informal Quotes

\$2,500–\$99,999 when no other method fits

Competitive Solicitation

\$100,000+ formal ITB/RFP unless an exception applies

Sole Source

Only one solution and one vendor can meet the need

Emergency / Exceptional / Exempt

Special circumstances with required justification/approval

Do not split purchases to avoid a threshold or required procurement method.

When no contract or exception applies, the competition required increases with the estimated value (cost)

< \$2,500	Micro / Discretionary purchase	Good purchasing practices; multiple quotes not required.
\$2,500–\$4,999	Informal purchase	At least 2 informal quotes.
\$5,000–\$99,999	Informal purchase	At least 3 informal quotes.
\$100,000+	Major purchase	Formal competitive solicitation managed by JU Procurement Services.

Threshold exceptions may apply for approved contracts, emergencies, sole source, exempt, or other policy-authorized methods.

Approval routes broaden as value and risk increase

Up to \$999	Manager / departmental approver	Procurement Specialist
\$1,000–\$4,999	Manager + Dean/AVP/Executive Director	Procurement Specialist
\$5,000–\$49,999	Manager + Dean/AVP/Executive Director + SVP	Procurement+ VP Budget & Procurement
\$50,000+ / High Liability	Manager + Dean/AVP/Executive Director + SVP	Procurement + VP Budget & Procurement + CFO

Capital and grant-funded purchases have an additional required approval regardless of amount.

A PCard is a way to pay—not a way around procurement rules

Payment method

The PCard does not erase purchasing rules, required approvals, competition, contract review, or restrictions.

The purchasing path still matters.

Special rule for purchases under \$1,000

A purchase under \$1,000 may be made by University PCard without a requisition if the employee obtains advance written manager approval and includes it with reconciliation.

Important exceptions

High-Liability purchases are not covered by this simplified rule. Other PCard policy requirements also apply.

Do not use expense reimbursements or a PCard to circumvent the purchasing process.

PO or contract? Sometimes both.

PURCHASE ORDER (PO)

Issued by JU Procurement Services after a fully approved requisition. It identifies the goods/services, approved cost, authorizes the purchase and payment, and creates an encumbrance in Colleague, visible in Self-Service.

When accepted by the vendor, it creates a valid contract, typically for one fiscal year.

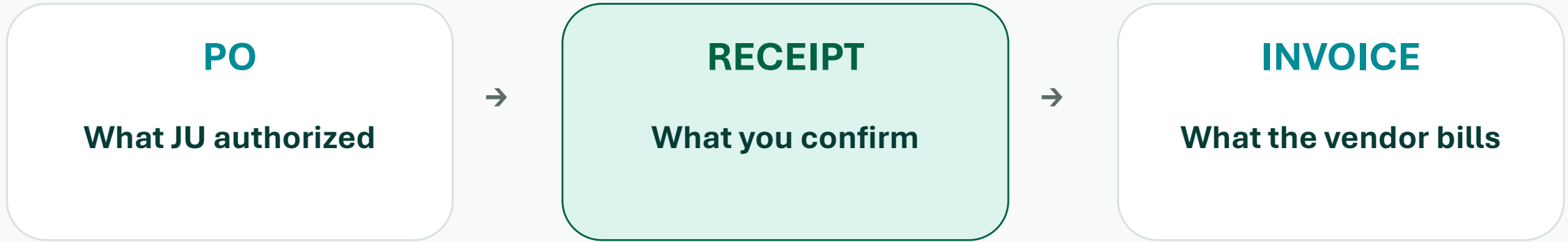
CONTRACT

A binding agreement that defines scope, term, financial obligations, rights, responsibilities, and other terms. Typically, a contract lasts for multiple fiscal years.

For contracts where funds are expended, an annual PO is also required each fiscal year.

A quote, proposal, invoice, or requisition is not JU authorization for the vendor to proceed.

Receiving is a financial control—not just a delivery task



THREE-WAY MATCH

Do these three records agree?

Inspect and receive goods/services within 5 business days.

If something is damaged, missing, incomplete, or unacceptable, document and resolve the issue before approving payment.

The requester owns the business need—and stays engaged through payment

-  Confirm a legitimate business need and available funding.
-  Develop a clear scope/specification, total anticipated cost, and critical dates.
-  Obtain required quotes, proposals, vendor information, and contract documents.
-  Submit a complete requisition and respond promptly during review.
-  Do not make a vendor commitment before the PO/contract is in place.
-  Receive acceptable goods/services within 5 days and report issues promptly.
-  Serve as the department liaison with the vendor and help ensure invoices arrive timely.

What should I do when...?

“The vendor needs a signature.”

Route it for authorized review/signature. Do not sign unless authority has been formally delegated.

“The invoice already arrived.”

Use the established after-the-fact process. Do not alter dates or create a misleading receipt.

“This is a renewal.”

Treat it as a new commitment; review price, term, cancellation date, performance, funding, and approvals.

“The cost changed.”

Pause before authorizing additional work. A PO change or contract amendment may be required.

“The goods are here.”

Inspect them and receive only what was actually accepted and meets the scope/specifications.

Scenario: “We need a consultant next month.”

A department has identified a consultant and wants to sign the vendor’s agreement today.

- 1 Define the business need and scope.
- 2 Estimate the full commitment and confirm funding.
- 3 Determine the method of procurement and obtain required sourcing documentation.
- 4 Submit the requisition and contract materials for review.
- 5 Wait for the required PO/contract authorization.
- 6 Then—and only then—tell the vendor to begin.**

Your everyday requester checklist

- ✓ Define the need and total anticipated cost.
- ✓ Confirm funding and allowable budget.
- ✓ Check whether an existing JU or cooperative contract applies.
- ✓ Choose the correct method of procurement and gather documentation.
- ✓ Submit the requisition before committing the University.
- ✓ Wait for the PO and/or fully executed contract.
- ✓ Give the PO to the vendor and reference it on the invoice.
- ✓ Inspect and receive goods/services promptly.
- ✓ Flag changes before exceeding scope, price, term, vendor, or quantity.
- ✓ Monitor encumbrances and expenses—not just cash already paid.

When in doubt, involve Budget & Procurement Services early

Procurement Services can help before a vendor commitment is made.

Sourcing

Quotes • competition • solicitation

Purchasing path

PO • PCard • contract • exception

Contracts

Terms • signatures • risk / legal coordination

Vendor setup

Registration • W-9 • readiness for PO/payment

Planning

Lead time • renewals • recurring needs • budget commitments

Problem solving

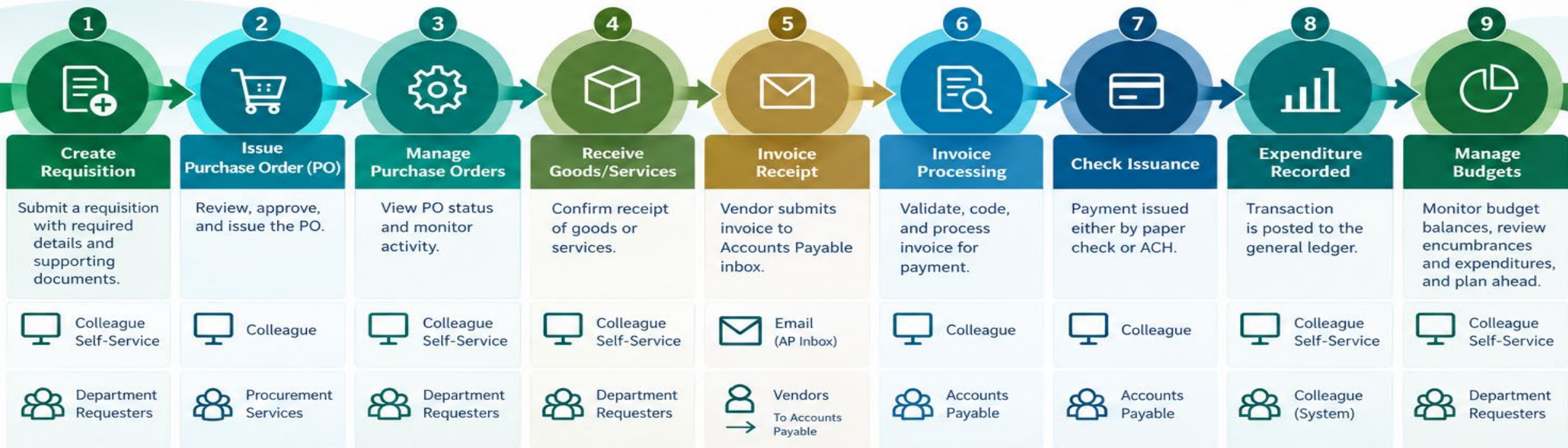
Order issues • changes • escalations • unusual purchases

Start early. Submit the full picture. Wait for authorization. Receive promptly. Flag changes.

The Procure-to-Pay Journey

Right Process. Right System. Right People. A Stronger Tomorrow.

*Same Mission.
All Connected.*



From Need to Impact

EVERY STEP SUPPORTS A STRONGER TOMORROW.

Phins Up!



So, what's changing?

Colleague Self-Service will now be used to create requisitions, replacing DocuSign.

Vendor setup

- Vendors must be registered before a requisition can be submitted
- Submit the completed vendor form and W9 to the Controller's Office

Requisitions

- Submitted in Self-Service
- Include the Requisition Support form

Review and Approval

- Requisitions will be viewed within Self Service
- Approval flows are automatically generated

Receiving

- Requesters will receive in Self-Service
- Contact Procurement Services if any changes are needed to the PO

Contracts

- 1-year vendor terms and conditions, attached to a PO and event or equipment rental-signed by VP of BPS
- All others reviewed by GC and signed by CFO

Payments

- Invoices can be sent directly to AP
- Purchasing will no longer need to be a part of the payment process

Start early. Submit the full picture. Wait for authorization. Receive promptly. Flag changes.

Jump into Colleague Self Service



EASY
ACCESS



REAL-TIME
INFORMATION



EMPOWERED
REQUESTERS



A SMOOTHER
PURCHASING PROCESS



Tools & Resources

AVAILABLE ON THE JU PROCUREMENT SERVICES WEBSITE

*Same Process.
Brighter Possibilities.*



 ju.edu/purchasing >



JU Requisition Guidebook

Step-by-step guidance for creating requisitions in Colleague Self Service.



Method of Procurement Table

Quick reference to help you identify the appropriate procurement method based on your needs.



Purchasing Quick Reference

At-a-glance resource with key purchasing information and helpful tips.



Self-Service Requisitioning and Receiving Guide

Detailed guidance with screenshots for creating requisitions and receiving in Colleague Self Service.



JU Expenditure Guidelines

Guidance on allowability, approval requirements, and common expense categories.



Purchasing Training (Recorded)

A recorded version of our Purchasing Training will be available soon.

Training & Support

We're here to help you make the most of Colleague Self Service and the University's purchasing process.



Ongoing Training

After the Self Service rollout is complete, Procurement Services will offer ongoing purchasing training sessions every other month.



Watch the website for upcoming dates and registration links.



Office Hours

We will offer several Office Hours during the rollout to support your transition. Afterwards, we will continue to hold monthly Office Hours for budget and procurement questions.



Dates and links will be posted on the JU Procurement Services website.

Remember...

PREP for Success

YOUR PROCUREMENT JOURNEY IN FIVE STEPS

A Smoother Process Ahead



Identify your need, confirm the best method of procurement, and plan ahead.

Create a requisition in Colleague Self Service with the required details and supporting documents.

Procurement Services reviews and approves the requisition, issues the PO (encumbering funds), or executes a contract as needed.

Receive the goods or services, confirm they are as expected, and accept in Colleague Self Service.

Vendor submits an invoice, Accounts Payable processes the invoice, and payment is issued via check or ACH in Colleague.

 **System**
Colleague Self Service

 **Responsible**
Department Requester

 **System**
Colleague Self Service

 **Responsible**
Department Requester

 **System**
Colleague

 **Responsible**
Procurement Services

 **System**
Colleague Self Service

 **Responsible**
Department Requester

 **System**
Colleague

 **Responsible**
Accounts Payable

From Plan to Payment - We Move Forward Together

Questions?