

## HOUSING AUTHORITY OF THE CITY OF CHARLOTTE

TO: ALL EMPLOYEES

FROM: Ralph Staley, Chief Financial Officer  
Steve Lamphere, Dir of Procurement



DATE: August 20, 2001

SUBJECT: **Requisition, Purchase Order and Check Request Processing**

This Memo serves as a reminder that the sole responsibility and authority for the administration and procurement of all goods and services is vested in the Procurement Department. Procurement policies are intended to list the general policies and procedural practices developed to accomplish the procurement processes for the Charlotte Housing Authority. While these policies are somewhat detailed, they cannot cover all eventualities. Exceptional cases will be worked out as circumstances and good business practices warrant. All Department Heads/Managers with budget responsibilities can simplify and expedite the handling of requirements for supplies, equipment, and services by insuring the widest dissemination and compliance with the following procedures.

### Requisition, Purchase Order Processing

1. In general, all procurement transactions shall be documented on a purchase order, which binds the commitment for goods and services made between the CHA and its suppliers. The purchase order is a legal document and a contract does not exist between CHA and a Vendor until an approved purchase order has been issued by the Procurement Department and accepted by the Vendor.
2. It is the responsibility of the using department to prepare and submit requisitions via Memory Lane (MLS). Initiating a requisition is the process for creating an approved purchase order. Purchase orders result from requisitions created and approved by CHA departments and authorizes a supplier to provide materials and services to CHA. In addition to being the legal vehicle, copies of the purchase order function as the receiving document and the payment document. This method provides assurance for all concerned that proper procedures have been followed and provides the necessary tracking of purchases between the user department, purchasing, accounting, and the vendor.
3. All acquisitions for goods and services with the exception of items listed below will be made with an approved CHA purchase order issued by the Procurement Department. Per the CHA Procurement Policy, Purchases made prior to an approved purchase order will be considered an unauthorized transaction. **FINANCIAL RESPONSIBILITY FOR UNAUTHORIZED TRANSACTIONS SHALL BE ASSUMED BY THE INDIVIDUAL INVOLVED.**

### Check Request Processing

1. A purchase order shall not be required for the following items: (less than \$2000)
  - a) Advertising (employee recruitment)
  - b) Copying & printing
  - c) Photography & photo processing
  - d) Catering/honorariums/facility rental
  - e) Florist/decorators/musicians
  - f) Training
  - g) Travel advances or mileage reimbursement
  - h) Misc. supplies or services unique to a department/activity
  - i) Misc. supplies under \$250
  - j) Items under warranty
  - k) Membership dues or subscriptions
  - l) Other items as approved by the CFO

In order to purchase the above items with a check request, the requester shall (1) complete a Check Request, (2) obtain appropriate approvals, and (3) submit the request to Accounts Payable.

### Administrative Office Supply phone order system

2. A purchase order shall not be required for office supplies that are ordered through the Office Supply phone order system.

### Human Resources

3. A purchase order may not be required for certain types of HR services such as:

Insurance payments  
Manpower/Temp services  
Employee Certificates

### Legal Department

4. A purchase order may not be required for certain types of Legal services such as:

Judicial Procedures  
Legal documents

Department Heads/Managers will still be required to ensure that funds are available and the budget is adequate to cover the check request. If you have any questions or need additional training, please call Steve Lamphere at X5203.