Closing & Canceling Purchase Orders (PO)

Revised 2/19/2024
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## General Guidelines

Closing or Canceling a PO releases the obligated funds when a PO has not and will not be fully invoiced or fulfilled.

Closing or Canceling a PO is **NOT** completed via a Change Request.

A request to Close or Cancel **IS** initiated by adding a comment to the PO addressed to Procurement Help.
- Additional steps may be required and are outlined in this guide.

Like all revisions to POs, closures and cancelations **must** be initiated on the PO itself in UD Exchange.

Procurement staff cannot modify any UDX document as a response to an email or a help ticket addressed to procurement@udel.edu
# Closing vs. Canceling – What’s the Difference?

<table>
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<th>REQUEST TO CLOSE A PO:</th>
<th>When your PO has a remaining balance, but no more invoices are expected, and you need to release the obligation on your funding source(s).</th>
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<tbody>
<tr>
<td>REQUEST TO CANCEL A PO:</td>
<td>When you no longer need the goods or services ordered.</td>
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Closed POs can be reopened, Canceled POs cannot be restored.
Before you CLOSE a Purchase Order...

Purchase orders will automatically close when they have been **fully invoiced**.
- Once an order has been fully invoiced, it enters **Soft Close** status.
- During the 15-day Soft Close period, the PO can still be reopened to allow any credits from the supplier to be posted.
- When the Soft Close period has ended, the PO is considered fully closed, enters **Closed** status, and updates in PeopleSoft.

If a PO has **not** been fully invoiced and needs to be Closed to release the obligation in PeopleSoft/UDataGlance, you can add a Comment to the PO addressed to Procurement Help.

PO Comments to Close a Purchase Order are most commonly requested for Blanket Purchase Orders (UDB).
## Purchase Order CLOSE Processes

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<th>CATALOG ORDERS</th>
<th>NON-CATALOG ORDERS</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>UDS/QUANTITY-BASED PO</strong></td>
<td>Add a PO Comment addressed to Procurement Help asking the system administrator to close the PO. Attach documentation that the supplier has communicated to you that the remainder of the order will not be fulfilled or that there will be no further invoices (e.g., email from the supplier).</td>
</tr>
<tr>
<td><strong>UDB/AMOUNT-BASED PO</strong></td>
<td>N/A - No Catalog orders should ever be set up as a UDB/Amount-based PO (i.e., the multi-invoice box should never be checked when you are creating a Catalog order).</td>
</tr>
</tbody>
</table>

**NOTE:** POs cannot be closed until all vouchers are paid.
- If any voucher is in "In Process" or in “Payable” status, your PO will be Soft Closed instead.
- It will automatically move to Closed 15 days after the invoice pays.
I want to Close a Purchase Order: Blanket POs

PO Close requests are most frequently used for a blanket purchase order.

- For example, a PO was created for a blanket dollar amount because the user did not know precisely how much a repair would cost, or how long the supplier’s services would be engaged.

Blanket purchase orders can be Closed with a PO Comment to Procurement Help once the user determines that all invoices have been paid.
Closing a Blanket Order with a comment:

- Click the **ellipsis** on the **PO** and select **Add comment** from the Actions menu.

  OR

- Navigate to the **Comments** tab and click +
After navigating to the comments tab and clicking the “+”, Type a comment requesting closure of the purchase order.

- Include a reason for the closure (e.g., services have been completed, all invoices have been paid, and no further invoices are expected).

Click on Add Recipient.
Type "Help" in the **last name** field.
Click **Search**.
Select **Procurement Help** from the search results.
Make sure your comment requesting closure of the purchase order is typed once the Procurement Help email address is checked.

Click the **Check Mark** to **Add comment** and send the notification to Procurement Help.
I want to Close a Purchase Order: Standard POs

- Standard purchase orders should be set up by quantity – the order would be precise as to what quantities we are ordering, and once that line’s quantity is invoiced, the line is Closed.
- A standard purchase order Closes once all quantities have been invoiced, regardless of price.
- Close requests for standard purchase orders should include a reason why we are not going to fully pay for all items ordered, such as a notification of unavailability from the supplier.
- *For catalog orders, you MUST attach documentation that you have already communicated with the supplier.*
Closing a Standard Order with a comment:

- Navigate to the **Comments** tab and click +
- OR
- Click the **ellipsis** on the PO and select **Add comment** from the Actions menu.
After selecting *Add Comment* from the PO Actions menu:

Click the blue *Add Recipient link* in the *Add Comment* window.

Type *Help* in the *last name* field of the *User Search* window.

Click *Search*.

Select *Procurement Help* from the search results.
Type a comment requesting closure of the purchase order once the Procurement Help email address is checked. Attach documentation using **Choose File**.

Click **Add comment**.
<table>
<thead>
<tr>
<th>LINE ITEMS</th>
<th>CATALOG ORDERS</th>
<th>NON-CATALOG ORDERS</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Because Catalog suppliers are not set up to receive updates from UD Exchange once an order has been dispatched, you must contact the supplier directly to arrange a cancellation.</td>
<td>Non-Catalog orders can be updated, and the changes can be sent to the supplier.</td>
</tr>
<tr>
<td></td>
<td>After you have contacted the supplier to cancel the items and have received confirmation of the cancellation, add a PO Comment addressed to Procurement Help asking the system administrator to cancel the specific line items.</td>
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</tr>
<tr>
<td></td>
<td>Attach the documentation that un-invoiced items were canceled with/by the supplier.</td>
<td>The Comment must include the exact verbiage/message you want sent to the supplier to explain the cancellation in quotations.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>A revision of the order will be sent to the supplier from UD Exchange.</td>
</tr>
<tr>
<td>FULL ORDER</td>
<td>Because Catalog suppliers are not set up to receive updates from UD Exchange once an order has been dispatched, you must contact the supplier directly to arrange a cancellation.</td>
<td>Non-Catalog orders can be updated, and the changes can be sent to the supplier.</td>
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<tr>
<td></td>
<td>Attach the documentation that the order was Canceled with/by the supplier.</td>
<td>The Comment must include the exact verbiage/message you want sent to the supplier to explain the cancellation in quotations.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>A revision of the order will be sent to the supplier from UD Exchange.</td>
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I Want to CANCEL a PO

IMPORTANT: We cannot cancel entire Purchase Orders via change request because documents route for approval based on the total dollar amount.

Requisitions and change requests are routed to various approvers based on dollar amount. If the dollar amount is zero, the system would not know where to route a zero dollar request.

In the attempted change request below, you can see that for a zero dollar change request, it will not route to an approver.

Proceed to Slide 17 for the correct process to cancel an entire PO
Cancelling a Purchase Order with a comment:

- Click the **Comments** tab and click “+” to generate a new comment.
Click Add Recipient. Type "Help" in the last name field of the User Search window. Click Search. Select Procurement Help from the search results.
• Type a comment requesting cancelation of the purchase order.
• Include a reason for the cancelation (e.g., items out of stock).
• Upload your documentation of communication with the supplier.

Click the **Check Mark** to Add comment and send the notification to Procurement Help.
I Want to Cancel a Catalog PO Line

• Canceling a Catalog order line is also done via a comment to Procurement Help
• Proceed to slide 21 for instructions.
Cancelling a Catalog PO Line with a comment:

- Click the **Comments** tab and click “+” to generate a new comment.
Click Add Recipient.
Type "Help" in the last name field of the User Search window.
Click Search.
Select Procurement Help from the search results.
• **Type a comment** requesting cancelation of the line.
• Include a reason for the cancelation (e.g., items out of stock).
• Upload your documentation of communication with the supplier.

Click the **Check Mark** to **Add comment** and send the notification to Procurement Help.
I Want to Cancel Non-Catalog PO Lines

- Canceling a *line* (*not* an entire order) on a non-catalog PO *should* be done on a *change request*.
- Proceed to slide 25 for instructions.
To Create a Change Request in a PO:
Click the **Change Requests** tab.
Click ‘+’ sign.
You may also click the ellipsis on the PO and select **Create Change Request** from the menu.
In the Create Change Request Window:
Select any Recipients from boxes or…
Use the link to Add Recipients
Type the Change Request Reason.
Attach a document if necessary.
Click Create Change Request.
Note the default setting in UDX is to NOT send PO changes to the supplier. The supplier should receive the revised PO, so click the **External Communication** tab.
Check the **Suppliers on Change Request** box to send the revision to the supplier. Do not uncheck the other two boxes.
Returning to the Summary tab, you see that the change request will be sent to the supplier with the reason you entered.

Changes will be sent to the Supplier.

Change Request Reason

Reason: Remove the service charge
Scroll down to the **Line Items** section

Select the **Checkbox** next to the line(s) to cancel

Select the **Selected Line Item Actions** menu and click **Cancel Selected Items**.
Enter the reason for the cancellation and click **OK**.
Click Submit Request.

Note the cancelled item has an icon indicating it was cancelled.
<table>
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<tr>
<th>Item Details</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Contract</td>
<td>no value</td>
</tr>
<tr>
<td>Commodity Code</td>
<td>302000000 / Structures, Building, Construction, Manufacturing Components &amp; Supplies</td>
</tr>
<tr>
<td>Account Code</td>
<td>164023 CARPET/RESIDENTIAL FLOORING</td>
</tr>
</tbody>
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Approvers will see the cancellation icon on the relevant line.
Questions:
  • procurement@udel.edu

Resources:
  • Procurement Services Website