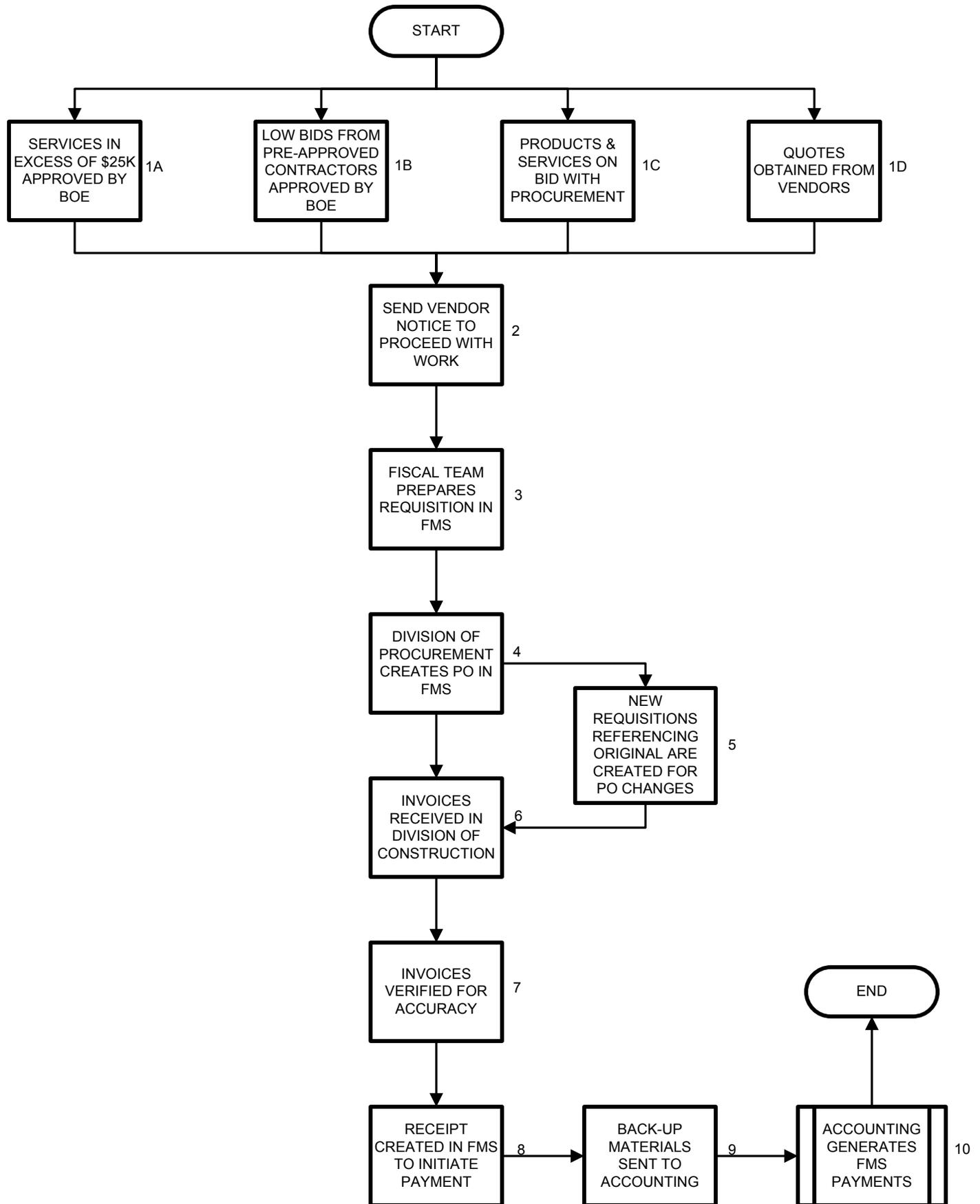


Purchase Order Creation & Payment Process

Division of Construction, MCPS



Purchase Order Creation & Payment Process

- 1A. Short duration contracts that exceed \$25K taken to the Board of Education for approval are written on purchase orders. These may include negotiated consultant's fees such as architectural feasibility studies or construction management pre-construction services.
- 1B. Lows bids from pre-approved contractors for On-Call Contracting for smaller, short duration projects are written on purchase orders. The information referenced on the drawings and in the bid specifications are incorporated into the purchase order.
- 1C. The Division of Procurement has multiple products and services on bid. A requisition for any of these items may be generated from FMS.
- 1D. For products and services not on bid, quotes must be obtained from vendors using the following guidelines:

Work between \$7,500 and \$24,999 - informal quotes are obtained by Division of Construction personnel for the work.

For work under \$7,499, multiple quotes will still be pursued, but if there is limited response and the price is reasonable based on industry standards, a requisition may be created by the fiscal team for review by the Division of Procurement.

2. For all of the above, a notice to proceed letter signed by the director along with back-up documentation will be forwarded to the fiscal team.
3. The fiscal team creates a requisition in FMS. The back-up documentation is scanned as an attachment to the requisition.
4. The Division of Procurement reviews submitted requisitions to assure compliance with regulations and then approves creation of a purchase order in FMS.
5. Additions or deletions to purchase orders are done through the requisition process referencing the original purchase order number so the increase/decrease may be attached to the original purchase order.
6. When invoices are received from vendors, the fiscal team disseminates them to appropriate DOC personnel for approval.
7. When invoices for architectural services or construction requisitions are received, each requisition is verified to confirm the following:
 - a. The contract value is correct
 - b. Previous payments shown agree with MCPS records

- c. Only approved change/charge orders have been billed
- d. There is appropriate back-up for stored materials according to the contract requirements.
- e. Appropriate retention is being held on the contract

All other invoices are verified against the purchase order.

- 8. A fiscal team member creates a receipt in FMS to initiate payment.
- 9. The back-up materials for the payments are sent to accounts payable where they are scanned into Fortis as back-up for the check or ACH transfer.
- 10. The accounts payable office generates the payments in FMS and the funds are released via ACH or check.