



THE UNIVERSITY OF NORTH CAROLINA
AT
CHAPEL HILL

Materials Support Department
919-962-2251

The University of North Carolina at Chapel Hill
CB# 1100, 440 W. Franklin Street
Chapel Hill, NC 27599-1100

August 8, 2000

To: Deans, Directors, and Department Heads

From: Phil Charneskie, Materials Support Department *RAC*

Re: Changes to Policy 13 of the Materials Support Division in the UNC Business Manual –
Small Order Procedure

All Departments are advised of the following changes to the Business Manual:

Open Orders

It is the responsibility of each department to review their own charges and to determine that all purchases were authorized and received, and those payments to the vendors are correct. If an error is detected, the vendor should be notified immediately. The Department has the budget authority and responsibility for all small purchases, including open orders. Departments are advised to establish a system of internal controls, documenting the purpose of the purchase, limiting the number of authorized buyers, requiring prior approval of open order purchases, and immediately forwarding vendor invoices to the person assigned to work the MMD Statement. Departmental personnel should match the invoice to the approved request and follow-up on invoices that have no corresponding approval. Departments are responsible for all charges (including unsupported charges) made against their account through the open order system. Any fraudulent use of this procedure should be reported immediately to the proper investigative agency, University Internal Audit Department, University Public Safety Office, and University Insurance/Risk Manager. Any misuse of funds, in excess of \$50, must also be reported to the Legal Office. If the departmental site is located "off" campus, a report must also be made to the applicable local law enforcement authority.

MMD no longer pays open order invoices until we have received all the backup and required documentation.

On 19 May a letter was sent to every open order vendor advising them to require the UNC One Card as well as a driver's license for identification and to record the PID number of the customer on the sales slip. Please contact Phil Charneskie at 962-3774 if any questions about open orders.

Purchasing Card Procedures

In most cases the cardholder and the reconciler are not to be the same person. Where there is an exception, as discussed in the required training session another person should review the monthly statement and supporting documents to verify the propriety of the charges.

In P-card training class cardholders are advised to establish a system of internal controls, tracking the name of the persons for whom the items are purchased, and where the equipment such as cameras, computers, printers, etc. are to be located. These will be Departmental Internal Controls, supplemental to the Equipment Inventory required by the Asset Management Section of the Business Manual. Departmental management must be aware of items prohibited from P-card purchasing such as gift certificates, tobacco products and alcohol. Please direct any questions to Katherine Marlow, P-card coordinator, at 962-2256.