

# Change Orders

## Above Departmental Delegation

Change orders are necessary when modifying a purchase order that exceeds departmental delegation limits. To request a change, departments must complete the [Purchase Order Change Form](#), have it signed by a department level approver, and email it to the Procurement Buyer listed on the purchase order in HokieMart. Supporting documentation, such as updated quotes or vendor emails should be included.

## Procurement Review & Approval

Once received, the Buyer reviews the request for accuracy and compliance. If the Buyer has the appropriate signature authority, they will sign and process the change order. If the changed exceeds their authority, it will be forwarded to the appropriate approver.

**Purchase Orders can be modified up to \$50,000 or by 25 percent of the total amount, whichever is greater.** A new [Purchase Order Change Form](#) is required for each modification, ensuring all changes receive proper departmental approval.

## Processing and Documentation

Change orders are processed in Banner and HokieMart, with all relevant documentation attached to the Purchase Order record in HokieMart. If applicable, an updated purchase order is sent to the vendor by the Buyer.

## Within Departmental Delegation

For purchase orders within departmental delegation, meaning they are **under \$10,000 or placed against a contract without Procurement involvement**, departments can work directly with the vendor to make changes. This can be done verbally or by printing the purchase order from HokieMart, making manual notations, and returning it to the vendor.

## Handling Cancellation and Funding Changes

- Funding adjustments can be corrected through a journal entry after payment is made.
- If an order needs to be cancelled before delivery, the department should submit a Cancelled Receipt in HokieMart and notify the vendor.
- For partial cancellations, a Cancelled Receipt should be submitted to release the unbilled encumbrance. In all cases, communication with the vendor should be documented.

## **Additional Costs and Invoice Adjustments**

If an invoice exceeds the original order amount, the department should acknowledge the change in the HokieMart receipt and over-receive the item. This allows Accounts Payable to process the extra cost. If the overage is greater than \$100, Accounts Payable may require additional approvals.

Changes to Purchase Orders within departmental delegation will not be reflected on the original purchase order record in HokieMart or Banner. Departments are responsible for all communication to vendors for changes below departmental delegation and are encouraged to keep documentation of all interaction with the vendor.

For additional information, contact the [Procurement help desk](#), 540-231-6221.