

How Do I Handle...

Change Orders

For Changes to Purchase 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 PO in HokieMart. Supporting documentation, such as updated quotes or vendor emails, should be included.

Procurement Review & Approval

Once received, the Procurement 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 change exceeds their authority, it will be forwarded to the appropriate approver.

Purchase orders can be modified up to **\$50,000 or by 25% 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 & Documentation

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

For Changes to Purchase Orders 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 PO from HokieMart, making manual notations, and returning it to the vendor.

Handling Cancellations & Funding Changes

Funding adjustments can be corrected through a journal entry after payment is made.

If an order needs to be canceled 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 & 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 (AP) to process the extra cost. If the overage is greater than \$100, AP 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 guidance on change orders, email procurement@vt.edu.