

## Lafayette College Limited Purchase Order (LPO) program procedures

After review of the LPO program, we are revising and updating program procedures. Participation in the program is contingent on the following, *effective immediately*.

LPOs are a document that is essentially a “blank check”. If an LPO is lost, it could be used by anyone to make a purchase, and the form guarantees a vendor that Lafayette will pay the vendor up to the LPO amount. LPOs do not have the fraud protection that p-cards give the College. For that reason, anyone requesting LPOs should be careful in securing LPOs -until ready for use- in a safe, locked location, and use them only when necessary. Anyone handing in an LPO form to a supplier should provide the vendor with College ID, and *must return the receipt for the purchase to the responsible staff member*. “Control sheets” are issued with the LPOs, which document the usage and other important information required for tax compliance purposes, and *must be fully filled out and returned* in order to participate in the program. Failure to follow the established procedures will limit participation until the required documentation is provided. Repeated issues with improper use of LPOs may cause termination of participation in using LPOs by the Finance and Business office.

1. LPOs will only be issued if a department has a demonstrated need to use LPOs, i.e., where students will be “shopping” without a staff member present, and when items cannot be pre-ordered/pre-paid by staff with a p-card. Purchasing cards should be used if possible to make the purchase.
2. LPOs should not be used if a p-card can be used for the purchase. For example, pre-ordering pizzas that students or staff will pick up should be done with a p-card, the receipt from the pick up given to the p-card holder, and the expense reconciled in the monthly p-card reconciliation report. Food purchases of \$200 or less can be made using a p-card, and should follow the applicable guidelines in the Controller’s Office Expense Reimbursement policy <https://finadmin.lafayette.edu/wp-content/uploads/sites/133/2019/02/Expense-Reimbursement-Policy-Lafayette-College.pdf>, the p-card procedures, <https://purchasing.lafayette.edu/procurement-policies/p-card-policy/> and the Food and Catering policy <https://getinvolved.lafayette.edu/food-and-catering-guidelines/>
3. A maximum of 20 LPOs will be distributed at one time. (packets of 10)
4. Please allow at least 2 business days plus day of request to receive LPOs. LPOs will be sent via intercampus mail to depts., unless prior pick up arrangements for “in person” pick-ups are scheduled ahead of time with Procurement. Please do not just come to the procurement office without first making an appointment to get the LPOs.
5. New packs of LPOs will not be distributed until the Procurement Office receives the completed control sheet for the previous packs
6. LPO requestors/responsible party need to arrange payment of an LPO purchase within 30 days of the items purchased with the LPO. Failure to pay on time could jeopardize the vendor’s willingness to continue to accept LPOs, which could affect other departments being able to use that vendor. Repeated failure to pay on time could mean a department’s removal from the program

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7. Each Payment Authorization Form (PAF) should be properly filled out, as per the Controller's Office Expense Reimbursement Policy, including the vendor L#, purpose of the purchase, attach the receipt(s), and reference the LPO number, and send to Accounts Payable. If payment is not properly filled out, accounts payable will contact you for correction. <https://finadmin.lafayette.edu/wp-content/uploads/sites/133/2019/02/Expense-Reimbursement-Policy-Lafayette-College.pdf>