

Order Changes or Cancellations

Cancellation of Orders

A purchase order is a binding contract between the UNT System and/or its components and the vendor. Therefore, it cannot be modified or cancelled unilaterally unless specified in the order or the contract. If a department requests cancellation for some reason that is no fault of the vendor, we must have the vendor's permission to cancel the order or items on the order unless specified in the order or the contract. The requesting department should discuss the order with the vendor, where applicable, prior to submitting the PO change order request in EIS.

Certain procurement agreements and contracts include terms allowing for cancellation or termination. The UNT System and/or its component institutions will follow the specific terms in the event an agreement or contract needs to be cancelled.

Requests for modification of purchase orders must be submitted in EIS. The PO Change Request routes through EIS for approval. Once changes are made to the purchase order, a revised PO will be sent to the supplier.

To close a purchase order and disencumber funds, please submit an [Encumbrance Inquiry Form](#) to [Procurement Services](#).

Return of Materials

Upon receipt of an item, Central Receiving makes only a cursory inspection for obvious shipping damage. The final acceptance or rejection of merchandise is the responsibility of the using department, who upon receipt must immediately inspect the goods for damage. If there is a discrepancy, the using department must immediately notify Central Receiving for the appropriate UNT System component to determine if the problem originated before or after receipt in Central Receiving. If it occurred before receipt, the requesting department must immediately contact the vendor to resolve the issue. If consensus toward a resolution is not imminent, [Procurement Services](#) must be notified within 48 hours of receipt.

If items do not meet specifications according to the purchase order against which the items were received, email [Procurement Services](#) immediately to state the discrepancies. The using department should contact the vendor regarding the immediate problem with the shipment. Notify [Procurement Services](#) with any specific instructions to be followed on the order or future payment of the order.

If incorrect items were ordered, contact the vendor for permission to return the items. Agreement from the vendor to accept a return is not automatic. If the vendor agrees to the return, notify [Procurement Services](#). A restocking charge or fee may be required and will be charged to the requesting department.

Return of Item(s)

Adhere to the guidelines below when contacting a vendor regarding return of items:

1. Secure the full name of the vendor representative giving permission.
2. Secure a return authorization number, allowing the vendor to track the item when it is returned (many vendors use some type of return authorization number).
3. Secure a "ship to" address. This may be different than the purchase order address.
4. Clarify who will pay freight and which carrier is to be used. Generally, if the vendor shipped the item in error, the vendor will pay for return shipping. If the vendor has agreed to accept an item back that was ordered in error, the department is usually responsible for return shipping charges.
5. Clarify if there will be a restocking charge. See [Restocking Charges](#).

6. Email **Procurement Services** and include
 - the information from steps 1-5 above;
 - the P.O. number; and
 - special instructions for shipping (if applicable).

Replacement of Item(s)

If the item or the entire purchase order needs to be cancelled, include instructions in the email regarding the return and submit an **Encumbrance Inquiry Form** to **Procurement Services**.

If the vendor agrees for the item(s) to be replaced, follow these guidelines:

1. Follow steps 1-6 as outlined above.
2. Confirm with the vendor when you can expect replacement shipment.
3. Include expected delivery date regarding the return.

If a return to vendor occurs after payment has been made, the requesting department should send a notification of a pending credit to **Payment Services**. Payment Services will then watch for the appropriate credit memo and apply accordingly to the next bill, OR request a refund of the amount to be deposited back to the fund in which payment was made.

Restocking Charges

If the return of materials or cancellation of a purchase order is requested through no fault of the supplier, the supplier may assess a restocking charge or cancellation fee and expect the ordering department to absorb the cost of the return freight. Charges or fees of 15% or less of the original cost of the materials are generally considered reasonable. If you have a situation where a vendor insists on an amount greater than 15%, do not obligate the institution by agreeing to pay. Contact **Procurement Services** for assistance. See **Return of Materials** for additional information.