Procurement and Sourcing Services

Effective Date:	July 31, 2002
Last Update/Revision:	November 1, 2012
Initiating Department:	Procurement and Sourcing Services
Responsible Department:	Procurement and Sourcing Services
Authorizing Person:	VP for Finance and Treasurer
Policy Number:	P1005

Policy Name:	Unauthorized Commitment
Purpose:	To establish guidelines for the commitment of University funds for goods and services.
Policy:	Individuals who have the authority to purchase goods and supplies must do so by completing an official purchase order requisition detailing the required items. The requisition must be completed properly and contain as much specificity as possible. It must contain correct pricing, time and location of delivery and include all necessary budget approvals. Delivery may not occur prior to the vendor's receipt of the official University purchase order. An unauthorized commitment occurs when an end-user acquires goods or services without the benefit of an approved purchase order requisition and official LIU purchase order. Orders that are phoned in to the vendor before the vendor receives the official purchase order are unauthorized. Procurement and Sourcing Services will return orders not submitted properly to the requisitioning department. The requisitioning department must re-submit the requisition with a completed Unauthorized Commitment Memo Form, F1003 with the signature of the appropriate department supervisor.

This Policy Applies to:	All Departments
Procedure:	Departments must complete an Unauthorized Commitment Memo Form, F1003 before the purchase order requisition will be processed. The Unauthorized Commitment Memo Form must be signed by the appropriate Supervisor (e.g. Provost/Dean/Etc.), and accompany the purchase order requisition when submitted to Procurement and Sourcing Services for processing.
Exceptions:	Refer to "Purchase Order Requisition", Policy P1500 for limited exceptions to the use of the purchase order requisition.
Forms:	Unauthorized Commitment Memo