

## **Procedure 20305: receiving reports**

### **A. Introduction**

Before a vendor is paid for materials delivered, it is important to verify that the items delivered meet the standards and quantities specified in the contract or purchase order.

Receiving reports must be completed in HokieMart for all purchase orders. The receiving reports are to be completed as soon as possible after the item (on a partial or complete shipment) is received. Delay in completing receiving reports may cause loss of discounts and adversely affect university compliance with the Commonwealth's prompt pay policies. The individual receiving and signing for the materials must be someone other than those people authorized to approve requisitions for purchase. Personnel who regularly conduct departmental receiving should attend a Receiver training session and become completely familiar with the detail of these procedures. Training information can be found [here](#).

### **B. Inspection, Acceptance, and rejection of Goods or Services**

Departments are responsible for inspecting and accepting goods or services purchased. Inspection is the close and critical examination of goods or services delivered to determine conformance with applicable contract requirements or specifications. It includes the determination that:

1. Unless otherwise specifically ordered, the delivery consists of new and unused merchandise.
2. Goods or services of the quality, grade, or standard specified in the purchase order or contract have been delivered.
3. The design, construction, ingredients, size, kind, type, make, color, style, etc., of the commodities conform to the requirements of the purchase order or contract, and where applicable, to the manufacturer's specifications.
4. The packaging and labeling, marking, or other means of identification meet specifications. The commodities comply with specifications requirements in all essential respects, are in good condition, and delivery has been made in accordance with the terms and conditions of the purchase order or contract.

The receiving report completed in HokieMart should be used as the University's Receiving Report. If the material or equipment is received in partial shipments, additional receipts must be completed in HokieMart. The receiving report must be completed by an employee other than the person who approves the purchase requisition.

If an item was not received, this should be indicated on the receiving report in HokieMart. If the quantity received is different from that ordered, this should also be reflected on the receiving report in HokieMart. Numerous receipts can be created for a single purchase order. in HokieMart.

The employee who receives the goods and verifies the quantity and condition must then complete a receipt in HokieMart and record the date the goods or services were received with his/her HokieMart UserID.

This receipt will be reviewed by the Controller's Office when the invoice is received for payment. Departments should keep in their files packing slips and/or, bills of lading. The receiving reports are stored electronically and do not need to be printed and sent to the Controller's Office for payment.

### C. Lost or Damaged Shipments

It is the department's responsibility to promptly inspect deliveries for shortages and shipping damage at the receiving location. Shortages or shipping damage must be noted on the receiving report so that payment is not made until the vendor has replaced the damaged goods. Concealed damage must be reported to the carrier and vendor within seven days of receipt and before removal from the point of delivery. Departments must keep the carton for concealed damage claims. If the carton is not kept, the claim can be denied. It is difficult to fix responsibility for deliveries once the department has moved the goods to another location or when the inspection has not been made in a timely manner.

### D. Rejection of Goods

Rejection of goods or services is the responsibility of the requisitioning department whenever the goods or services do not meet contract requirements. In the event of a partial or total rejection, the department must take immediate action to notify the vendor as to the reasons for rejection and to request prompt replacement with a mutually agreeable replacement date.

When a rejection is made against a purchase order or contract, the appropriate buyer in the Purchasing Department must be notified by telephone. The Purchasing Department may then follow up this telephone call by rendering a complaint to the Division of Purchases and Supplies.