

UNDERSTANDING AFTER-THE-FACT PURCHASE ORDERS

An After-the-Fact Purchase Order occurs when a UTampa employee places an order without first completing a Workday requisition and then enters a Workday requisition after the invoice is received in an attempt to pay the vendor. After-the-fact POs are used when goods or services are acquired without a valid PO and, subsequently, a PO is created after the services have been rendered. **This against the purchasing policy and not best practice.**

There are several risk-mitigation steps in place at UTampa when you use our standard procurement processes. Typically, these include separation of duties, checks for data safety, reviews IRS compliance, along with several other tactics that reduce risk. **If our standard processes are not followed, it places the University at risk.**

After-the-Fact purchase orders (ATFs) can create significant problems for the University. In many cases, the ATFs:

- Result in higher costs for goods and services than might have been paid through standard purchasing methods or by utilizing contracted vendors.
- Result in supplier contracts with unfavorable terms and conditions signed by university personnel that are not authorized agents for the University.
- Lead to significant vendor payment issues that can result in problems for other departments on campus.
- Violate the University's purchasing policies.
- Place the University at risk financially.
- Create additional, often unnecessary, work for administrative support staff.

Ways to Avoid ATFs:

- If you have to place an order, create the requisition right away. Even if you don't know the exact amount of the order or what supplier to source from at the time. **Do not wait for the invoice before creating the requisition.**
- Talk to others in your department about getting quotes so you can create requisitions.
- Use standing or blanket orders for multiple payments to the same vendors or for emergency service calls that you may need throughout the fiscal year. Purchasing can also help you estimate an amount based on last year's spend.

To avoid these negative outcomes, please make sure to follow UTampa's Purchasing Policy and establish your POs before obtaining goods or services. This ensures that all transactions are properly documented, reviewed, and approved, and that the University and individuals involved are protected.

ATFs are reported quarterly to University administration. With a little planning and improved communication, many of them could be avoided.