

**SECTION 7: ACQUISITION PROCEDURES**

**SUBJECT: RETURNS IN ARIBA Procedure 7.6.1**

**POLICY:** Returns may be necessary where there is an issue with a product ordered, where a duplicate is shipped, where UW intended to order a different product than the one delivered, or where a cancelled order has been shipped prior to cancellation.

**PROCEDURE:**

**Returns:** Once the item has been received and the need to return the item has been identified, the University must contact the supplier via phone or email. Depending on the size and complexity of the purchase, either the ordering department or Procurement Services may contact the supplier. The supplier should provide a return goods authorization number, or other mechanism for verifying acknowledgment of the return.

After the supplier has acknowledged the return, the item should be shipped back to the supplier. Communicate with the supplier to obtain appropriate instructions for shipping. The supplier will credit the department using a negative invoice in Ariba. The negative invoice amount will be equal to the purchase amount less any restocking or other fees. Restocking fees should be deducted from the amount of the negative invoice issued by the supplier. As a result of this deduction, there may be a discrepancy between the original order amount and the negative invoice amount credited to the University. This will result in an open balance on the order.

After the department has received the negative invoice, the department must complete the "Purchase Order Close Form"<sup>1</sup> to ensure that the order is closed, despite any open balance amounts remaining on the order. However, prior to completing the Purchase Order Close Form, departments should be advised to ensure that all necessary credits have been received and no additional issues regarding the order are pending resolution. Once an order has been closed, it is very difficult to locate.

**Duplicate Orders:** If a supplier ships an order multiple times in error and sends UW invoices for each item shipped, the University should contact the supplier to inform the supplier that UW was shipped (and invoiced for) more items than were ordered. In many instances, suppliers will allow UW to keep the products shipped in error free of charge. In the event that the supplier will not allow UW to keep the products shipped in error free of charge, the department must determine whether to keep the products shipped in error and pay the supplier with a Non-PO Invoice for the value of the products, or to return the products to the supplier, using the "Returns" process, above.

**Cancellation:** If the University wishes to cancel an order, the University needs to contact the supplier immediately via phone or email. Orders transmitted through Ariba are completed very quickly, and in many instances, the notice of cancellation will not be received prior to the order

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<sup>1</sup> Available at: <http://f2.washington.edu/fm/ps/change-close-form>

being shipped. In the event that the order is not effectively cancelled prior to shipment, return the products to the supplier, using the “Returns” process, above.