

**Procedure #11-012:** Liquidation Procedure

**Effective:** July 2012, revised April 2014, revised April 2018, revised November 2021, revised February 2022

**I. Purpose:**

To facilitate the process of liquidating and closing purchase orders on request by end user departments and communicate the appropriate use of liquidation requests and change orders.

**II. Background:**

The delegated procurement authority to campus Budget Unit Directors is at the discretion of the Director for Procurement Services, and continued delegated authority is based on compliance with procurement related University policies and procedures.

The issuance of an eVA purchase order to a vendor represents a legally binding contractual agreement, with a mutual obligation by both the vendor and the University to provide and accept/receive the specified goods/services at the agreed to pricing, terms and conditions. The cancellation and/or reduction of the specified quantities and associated pricing by the University without cause constitutes a 'breach of contract', with the University still liable for the original agreed to quantities and pricing.

**III. Procedure:**

a. University Departments are responsible for ensuring that:

i. All liquidation requests are submitted utilizing the referenced *Liquidation Request Form (#12-012)* as follows:

1. Access and download form #12-012 located on the Procurement Services website
2. Complete all requestors contact information
3. Provide vendor name and eVA purchase order number
4. Specify amount to be liquidated (if multiple line items, appropriately identify and specify the liquidation amount(s) **for each line item(s)**)
5. Provide valid justification (and when available related documentation) to support the liquidation request.

ii. The Banner invoice number and Banner screenshot displaying payment must be included on form #12-012 for all liquidation requests resulting from:

- a. Vendor paid via a wire transfer; or
- b. Purchase order was issued with the incorrect Federal Identification Number (FIN).

- iii. The form #12-012 shall be properly completed and submitted to Procurement Services for processing. Incomplete form #12-012 will be returned to the requesting department.
- b. Procurement Services shall be responsible for the:
  - i. Review of each request, and upon approval, sending to the requestor an e-mail confirming that the liquidation has been completed, and will include the associated transaction number;
  - ii. Monthly closing of all open eVA purchase orders with \$0 encumbrance balance; and
  - iii. Liquidation and closing at the end of each fiscal year of all open eVA purchase orders with an encumbrance balance less than \$500.

Provided is the link for the Liquidation Request Form #12-012.

<http://www.odu.edu/procurement/forms>

**Please send completed forms to: [procurement@odu.edu](mailto:procurement@odu.edu)**

**Procurement Services Contact:**

Barbie Edwards: 757-683-7158 or [bdedward@odu.edu](mailto:bdedward@odu.edu)

Procurement Services: 757-683-3105 or [procurement@odu.edu](mailto:procurement@odu.edu)



Date: \_\_\_\_\_

Department Contact Person: \_\_\_\_\_ Phone: (    )    -    \_\_\_\_\_

Email Address: \_\_\_\_\_

Purchase Order #: \_\_\_\_\_ Vendor Name: \_\_\_\_\_

**AMOUNT TO BE LIQUIDATED**

\$

*Check if purchase order was already invoiced and paid (Required only if paid as **direct pay** or **wire transfer**)*

Banner Invoice/Document Code #: \_\_\_\_\_

*\*Attach Banner Screenshot if PO paid via direct pay or wire transfer.*

**REASON FOR THE LIQUIDATION**

(Please Select one)	PR Requester No Longer Employed at ODU	Direct Pay/Wire Transfer
	PO Created Prior to Dec 30, 2021	Other: _____

Additional Comments:

Department Contact Person Printed Name

Title

Department Contact Signature

Date

Budget Unit Director Printed Name

Title

BUD Signature

Date

**Please send completed forms to [procurement@odu.edu](mailto:procurement@odu.edu)**

**FOR PROCUREMENT SERVICES USE ONLY**

Date Completed:

Prepared by:

Document number (\*):

COMMENTS: