

# Georgia Institute of Technology

## Policy and Procedure

### 5.2.4 Inter-Departmental Sales and Services

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#### **General Guidelines**

Each unit that is able to provide services and collect revenue by expensing an Institute project account is required to adhere to the policy herein. Purchases between or within departments of the Institute must be executed using one of the following Institute approved purchasing methods:

1. Procurement Card (P-Card) if accepted
2. Inter-Departmental Sales and Services Authorization Form
3. E-mail
4. Telephone
5. Internet

An approved Inter-Departmental Sales and Services Authorization Form or the P-Card are the accepted Institute standards for walk up business.

**For transactions other than the P-Card, the service provider will always require a departmental Document ID number and PeopleSoft Project Account number;** if this information is not available, the requestor will be advised that he/she must obtain this information from his/her unit business officer prior to any provision of service. In addition to the purchases made in person at the seller's location, departments are permitted to order by telephone, e-mail, or the Internet. To utilize these latter purchasing methods, the buyer must provide an authorized departmental Document ID number and the PeopleSoft Project Account number to the seller in addition to the goods and/or services desired.

#### **Departmental Operations**

Individual departments are to establish departmental operating procedures and practices, however, the requestor of goods or services must secure departmental approval before placing any order. A department Document ID number will be provided to the requestor after approval from the respective business officer has been granted. The Document ID number shall be ten digits, the first three digits will denote the unit. This number, along with the Project Account number, will be the order number as well as the tracking mechanism for each individual business unit for all inter-departmental transactions. Departmental procedures should address document preparation, approval, retention, and the receipting of goods or services

## **Recording of Expenditures**

Inter-departmental purchases will not be encumbered as the transaction will be posted as a journal entry. The journal entry is to be processed by the service provider, as soon as possible, following the rendering of service, but is required to be processed within thirty (30) days. The journal entry must include the department Document ID number as this order number will be reported on the ledger statements. The service provider is to retain documentation to support the journal entry. All communications regarding the journal entry are to be between service provider and buying unit personnel.

### **Description of the Inter-Departmental Sales and Services Authorization Form:**

The “Inter-Departmental Sales and Services Authorization” Form is used to detail all purchases between or within departments of the Institute. Each number below refers to the corresponding area depicted on the example figure. The form is available on the Procurement Services web-form bank in an Excel file:

<http://www.business.gatech.edu/depts/PURCHASE/ps/forms.htm>

- **SECTION A – Authorizing Department Use**

*To be completed by the Authorizing Department, **REQUIRED.***

1. *Date* – The calendar date that coincides with the date that the form is completed.
2. *Unit* – The requestor’s employing unit.
3. *Doc. ID #* - A ten digit number that will be given to the requestor by his/her business officer once the approval for the purchase has been made.
4. *Peoplesoft Project #* -
5. *Account # (Object Code)*-
6. *Estimated Amount* – Total estimated cost for the transaction.
7. *Departmental Approval* – Signature of the business officer approving the purchase of internal goods or services.
8. *Name/Ext.* – printed name and telephone extension of the business officer approving the transaction.

- **SECTION B – Requestor to Complete**

*To be completed by the individual in the unit that is requesting the service/products, **REQUIRED.***

9. *Requestor* – Printed First and Last name of employee requesting the transaction.
10. *Phone #* - Campus telephone number of the requestor.
11. *Project #* - The project number associated with the transaction. This can be obtained from the business officer if unknown.
12. *Service Provider* – Campus Unit that will provide the products or services.
13. *Product Description/Work Requested* – Description of the product or work requested, for example, Windows 2000 software.
14. *Quantity* – The exact number of products/services being requested.
15. *Unit Price* – The price/per individual unit of each product or service being requested.

16. *Extension* – The total dollar amount for the product or service described on the corresponding line of the form.
17. *Supervisor Approval* – The supervisor of the requestor must sign the form in this area, if required by the business officer. Each department/unit will have the authority to determine when a supervisor signature is required.
18. *Estimated cost* – The total estimated cost of the products/services being requested. This will be the sum of all extension amounts in Section B.

- *SECTION C – Service Provider Use*

*This section is optional if other receipting documentation is provided by the service provider.*

19. *Service Provider Name or Item Name* – The actual unit on campus that will provide the service (i.e. Bookstore, PCS, Facilities) or the name of the specific service or item being requested (i.e. 2000 copies of a manual printed by PCS).
20. *Qty (hrs./ea.)* – The exact number of hours it will take to perform the service being requested.
21. *Rate/Unit Price* – Cost per unit of the service or item being requested.
22. *Extension* – The total dollar amount for the service for each service/item being provided.
23. *Description of Services* – Brief description to identify the service/items to be provided.
24. *Internal Ref #* -
25. *Actual Cost* – The total actual cost for all services/items being provided. This is the total of all the extension amounts in Section C.

### **Form**

The form is available on the Procurement Services web-form bank in an Excel file:  
<http://www.business.gatech.edu/depts/PURCHASE/ps/forms.htm>.

