

# TEXAS A&M UNIVERSITY-KINGSVILLE

Title: Purchase Order Cancellation

Procedure No.: PP-180

Approved by:

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## I. Purpose

To establish purchase order cancellation procedures.

## II. Scope

Applies to all purchase cancellations.

## III. Procedure

Cancellation of orders whose value is below \$5000 may be accomplished verbally. Cancellation of all other orders shall be in writing, using the formal purchase order form. All Purchase Orders without delivery beyond six months of the expected delivery date may be cancelled by completing order in FAMIS.

In the event that a vendor has begun production of a custom-made part or product, or has secured for delivery to the University an article that the vendor is not likely to sell within the vendor's normal scope of business, or if the vendor has incurred costs in preparation for special or custom production, the University shall accept such costs as vendor may incur as a result of this cancellation. These costs might include payment for all custom-made parts or products already completed prior to cancellation or restocking charges incurred for returnable goods.