

Purchase Order Change Notices (POCN)

The POCN forms are designed for specific uses. They should not be used if the issuance of a new purchase order would achieve the requested action in a more efficient and economical manner. Also, statements that do not effect the actual change should be limited to the "Reason" section of the form. Only information pertinent to the change itself should be placed in the "Description of Change" area of the document.

All purchasers have the responsibility of using good judgment and proper procedures in processing change notices. Any correspondence necessary for proper documentation of the change, such as cancellation letters and name changes, must become part of the referenced purchase order file.

The POCN form shall be used to:

1. Add or change items found in the original terms and conditions of the purchase order or contract.
2. Cancel individual items or an entire purchase order. Changes to an open market purchase order require additional steps as outlined below in the Distribution section.
3. Change quantities for increases and/or decreases, overshipments and/or undershipments as defined by the ordering entity's needs (only whole units of measure as defined by the purchase order can be changed). For scheduled purchases, the purchasing entity is to seek approval and coordinate changes in quantities with the CPA unless variations are specifically addressed in the terms and conditions of the schedule.
4. Exercise options included in the original award.
5. Reinstate canceled purchase orders. For example, a purchase order is canceled due to non-delivery, but the goods are subsequently shipped by the vendor, and the ordering entity desires to keep the shipment.
6. Change pertinent information such as delivery address or ordering entity contact. A POCN form is also used to document a new serial number for equipment replacement, and change incorrect or amended rental periods in accordance with the purchase order or contract.
7. Exercise a renewal or extension option in accordance with the terms of the original purchase order or contract prior to the expiration date.

The POCN form shall not be used to:

1. Change the requisition number unless there was an error on the purchase order.
2. Extend the period of service beyond the expiration date of a purchase order or contract which has expired.
3. Increase a quantity beyond the scope of the contract.
4. Report a vendor's performance, see Section 2.50 Vendor Performance.

Preparing the POCN

The following basic information must be included on each POCN form:

- Date form is prepared
- Ordering entity name (delegated form allows entry of ordering entity's name in header of the form), address, ordering entity point of contact and phone number*
- Vendor ID number, name and address*
- Purchase order number*
- Requisition number*
- Order date*
- Class item code*
- Type of purchase order to be changed, when applicable.
- Line item number or contract commodity code*
- Description of change - describe the change being made to the referenced purchase order.
- Reason for change, such as "Overshipment" or "Vendor advises item no longer available."
- Ordering entity signature and date

* As shown on the purchase order.

When applicable, the following information must be included on each POCN:

1. If adding a line item, include the commodity code, item number, description, unit of measure, unit price, price extension, and new purchase order total. Include effective date of change and delivery terms. The preferred method of obtaining additional items from term contracts is by issuance of a new contract purchase order.

2. If increasing or decreasing quantities indicate the line item number, quantity, price extension, and new purchase order total resulting from the change.

Example:

Change quantity of item number 2 from 13 to 15.

Change price extension from \$26 to \$30.

Change purchase order total from \$196 to \$200

3. If canceling all or part of the purchase order (as allowed by contract terms) reduce quantities and adjust purchase order total accordingly.
4. Indicate beginning and ending dates when exercising renewal or extension periods.
5. Include entire option description when exercising an option allowed in the referenced purchase order or contract.

Distribution

- Delegated POCN forms issued against delegated purchase orders are sent to the vendor by the ordering entity. CPA does not need a copy unless the change is for a service or emergency purchase order over \$25,000, with a copy forwarded to CPA Procurement Audit section.
- CPA POCN forms issued against CPA automated, non-automated term contract and open market orders are sent to the vendor by the ordering entity, with a copy forwarded CPA Open Market section.

Note: A POCN is not required to document changes to a purchase order as long as the total change is less than \$100.00.

Vendor Performance Tracking

If the reason for the change is based on the performance of the vendor or the product, complete a Vendor Performance Form at:
http://www.window.state.tx.us/procurement/prog/vendor_performance/performanceform.
For additional information on vendor performance, see Section 2.50 Vendor Performance.

Section 2.49
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