June 20, 2013

TO: Departmental Procurement Personnel

FROM: Jerry A. Fuller, AVP, Procurement & Payment Services

SUBJECT: Change in Payment Process for Copier Leases in FY 2013-2014

Beginning with fiscal year 2013-2014, purchase orders are no longer required for copier leases that were previously created from PBO, PB3, and PB4 requisitions. Copier leases include all leases through Ricoh/Ikon, Océ, and Kyocera and some leases through Cannon and Xerox. Konica Minolta leases are already being processed without POs and will continue to be processed in the manner described below.

Any department with an existing and unexpired copier purchase order should continue to make payments on *DEFINE VP1 vouchers until the encumbrance on that PO is exhausted in the new fiscal year. Once the department exhausts the existing encumbrance, they should pay using *DEFINE VP2 vouchers. The department should not modify the purchase order to encumber additional funds as was previously done.

For new copier leases, electronic requisitions are no longer required. Upon approval from the requesting department, the vendor submits an Equipment Lease Schedule and Maintenance Contract to the Purchasing Office for signature. The department then initiates payment for the lease and maintenance contract by creating a VP2 instead of a VP1. The department will be required to include a copy of the signed lease as support for the initial payment. For subsequent payments, the department must reference the VP2 document ID of the initial payment in the notes section of the voucher.

Copier leases from Xerox and Cannon based on Texas CPA Contract# 985-L2 may still be processed on PB7 and PB8 requisitions. These leases will continue to be entered into the TxSmartBuy system by Purchasing.