



University of Connecticut Health Center

POLICY NUMBER 2006-25

June 23, 2006

POLICY: PURCHASING A-10: RETURN OF MERCHANDISE

PURPOSE:

This policy establishes guidelines for returning merchandise to vendor.

SCOPE:

All University of Connecticut Health Center faculty and staff.

POLICY STATEMENT:

The policy of University of Connecticut Health Center (UCHC) for the return of merchandise requires a *Return/Shipping Authorization form* (HCA-614) to be completed, attached to the return merchandise and brought to West Receiving Dock for outbound processing by the Business Owner.

Definitions:

1. Purchase Order - A computer generated form issued by the Purchasing Department to order requested supplies, materials, contractual services or equipment received on a Purchase Requisition.
2. Purchase Requisition (PR) – An electronic requisition or a paper three-part, pre-numbered requisition form (HCA-39) which is used to request supplies, equipment, or contractual services. Only individuals who have been authorized through the UCHC Signature Authorization System shall approve Purchase Requisitions.
3. Merchandise is supplies, materials, equipment and any and all articles of personal property furnished to or used by UCHC, including all printing, binding, publication of laws, stationery, forms and reports.
4. Vendor - The supplier of the merchandise.
5. Business Owner – Person or department that requested the merchandise.
6. All Health Center Staff – Any employee of the University of Connecticut Health Center.
7. Return /Shipping Authorization form (HCA-614) – Form used by UCHC to track returned merchandise and to update inventory.
8. Return Merchandise Authorization Number (RMA) – Number issued by the vendor for the pick-up of returned merchandise by their carrier.
9. Financial Records System (FRS) – Financial enterprise system which generates Purchase Requisitions, Purchase Orders, tracks receiving and returns of merchandise, and all financial transaction.

Responsibilities:

1. Director of Purchasing is responsible for ensuring compliance to the policy.
2. Business Owner – The person or department responsible for returning the merchandise to the vendor and to pay for any shipping or restocking fees.
3. Vendor is responsible to notify Business Owner if they will accept the return of the merchandise, if any restocking fees apply and to supply the RMA number.
4. Accounts Payable Department (A/P) is responsible to make payments and apply credit memos issued by the vendor to Purchase Orders.

Procedures:

1. Business Owner shall:
 - a. Contact vendor to determine:
 1. if they will accept the return of the merchandise;
 2. if restocking fees apply, if so how much;
 3. obtain the RMA number for merchandise being returned.
 - b. Complete Return/Shipping Authorization form (HCA-614) noting PO number for repair on form. This form may be obtained from the West Receiving Department or the Materials Management Warehouse and must be used for all types of merchandise returns.
 - c. Send merchandise to be returned with form HCA-614 attached to shipping for pick-up by vendor's carrier.
2. Types of merchandise returned
 - a. *Direct return* – unsatisfactory merchandise requiring no replacement. A credit memo shall be issued by the vendor and applied to the Purchase Order (PO) by the Accounts Payable Department. Any restocking fee shall automatically be paid against the PO and the credit to the Business Owner's account shall be for the balance on the PO.
 - b. *Equal Swap* – exchange of defective merchandise (like for like). Merchandise must be an exact match for merchandise being returned (i.e. same make and model number). The existing Purchase Order may be used for an *Equal Swap*.
 - c. *Change of merchandise* – A NEW PURCHASE ORDER IS REQUIRED.
Merchandise return shall be handled as a *direct return*.
 - DO NOT have any new merchandise shipped against the original Purchase Order;
 - issue a new Purchase Requisition for the new merchandise. Follow UCHC Policy #2006- xx – Purchasing A-4: Purchase Requisition.
 - d. *Receiving Department* shall enter the following information on all returned merchandise into the FRS receiving screens:
 - date of outgoing shipment
 - RMA number
 - bill of lading number
 - courier name

[Link to Purchasing A-10](#)

Robert W. Murphy (signed)

10/26/06

Director of Purchasing

Date

Peter Deckers, MD (signed)

10-26-06

Executive Vice President for Health Affairs

Date

NEW POLICY: June 23, 2006