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| Los Angeles City College Administrative Services “How To” Book | Return and Exchange of an Asset | VII H-2 |
| How Do I Return an Item (Asset) To The Vendor? | | |

A. Brief Description

These Procedures are established to guide staff through the Return of an Item (Asset) to the vendor.

B. How To

1. If a department decides that it does not need an item that was originally purchased, the requestor calls the vendor and obtains approval to return the item (asset).
2. Upon receipt of a written approval to return the item, the Receiving Department and Accounts Payable must be informed immediately.
3. The Receiving Department picks up the item from the department or the requestor returns the item to the Receiving Department.
4. The vendor arranges for the pick-up of the item from the Receiving Department, or sends a Return Merchandise Authorization (RMA) to the Receiving Department authorizing the return of the item.
5. The Receiving Department reverses the item entry within the SAP system that was originally made.
6. After the Vendor receives the item sent by the Receiving Department, a Credit Note is issued by the vendor to be used against future purchases from that particular vendor.
7. If the Item has not been paid for, the vendor does not issue a credit note. The Purchase Order is simply cancelled within the SAP system.
8. If the vendor has already issued an invoice, the vendor will issue a Credit Note to offset the invoice and the invoice will not be paid.
9. If only a portion of the order is returned and the vendor has already been paid, the vendor issues a Credit Note to offset the amount of the order returned.
10. If a portion of the order is returned and the vendor has not been paid, the College Purchasing Department (Accounts Payable) pays only for the item received and kept and cancels the backorder of items not received or items returned.
11. The College Purchasing Department (Accounts Payable) must ensure that the vendor does not submit an invoice for the backorders or items not kept or received.