

State Procurement Manual

DOA-3449 N(R06/94) Formerly AD-P-12

		Number PRO-E-5
		Effective 4-1-00
Section CONTRACTING, ORDERING, RECEIVING AND PAYMENT	Agencies Affected ALL	Replaces 1-1-82
Title RECEIPT OF DAMAGED GOODS (FORMERLY REJECTION DOCUMENTATION)		Page 1 of 1

AUTHORITY: [Wis. Stats. 16.72\(1\)](#)

SCOPE:

- to define F.O.B. terms (See [pages 1A-C.](#))
- to establish authority and policy in the case of damages or shortages in goods received
- to establish procedure for handling claims against vendors

CONTENT:

- I. Whenever possible agencies should specify F.O.B. destination on the purchase order to avoid filing loss or damage claims. Agencies may accept F.O.B. origin when conditions warrant; however, they should first consult with their risk management.
- II. In the case of damages or shortages in goods received, the purchasing office that issued the purchase order authorizing the goods files a claim with the vendor or carrier depending upon F.O.B. point.
- III. Agencies develop the administrative procedure to be followed within each agency for handling claims resulting from that agency's purchase orders.
- IV. If F.O.B. origin, agencies negotiate directly with the carrier for all claims, shortages and damages resulting from purchase orders they have written.
- V. Agency procedure for handling claims:
 - A. If F.O.B. origin, contact the carrier, indicate the shortages and/or damages, and determine a course of action which is mutually acceptable.
 - B. If F.O.B. destination, do not approve invoices for payment until the claim is resolved. If F.O.B. origin, the invoice should be processed in a timely manner.
 - C. If the problem is not resolved after reporting problems to the vendor or carrier, contact the State Bureau of Procurement for assistance.

Authorized:



Director
State Bureau of Procurement