

SINGLE FISCAL YEAR REQUISITIONS

For all FY25 Purchase Requisitions

1. Starting with FY25 purchases, Procurement will no longer process multi-year purchase requisitions into multi-year purchase orders. Purchase orders are included as commitments in our financial reports and should only represent encumbrances against the current year's budget.
2. Procurement will still sign multi-year quotes and contracts.
3. All FY25 requisitions must be submitted to align within a single fiscal year (FY).
 - a. SIU's fiscal year is July 1 through June 30.
 - b. Goods must be received and in place by June 30 of the FY to be paid out of that FY's funds.
 - c. Services must be rendered by June 30 of the FY to be paid out of that FY's funds.
4. Any existing multi-year purchase order is still valid and may remain in place. Purchasing will assess these purchase orders in Fall 2024 to determine if it is feasible to convert them, or if we will continue them until they expire.
5. Prepaid items (example: a magazine subscription for 3 years) only require a single requisition if the entire 3 years are paid up front.
6. Department will be responsible to keep track of multi-year contracts to:
 - a. Know term of contract including any options for renewal or extension
 - b. Ensure a Purchase Requisition is submitted each year the contract is active
 - c. Track spend on the PO
7. Submit requisitions to Procurement (use campus mail or email to SIUPurch@siu.edu) along with other required documentation.

To aid you in keeping track of your multi-year contracts as well as one-year requisitions that cross the fiscal year, we are asking for certain information to be included on your requisition in the *Notes to buyer* box above the signature lines. See the following three examples.

EXAMPLE #1: Multi-Year Contract that starts at the beginning of a Fiscal Year

This example has a contract that starts at the beginning of a fiscal year.

Vendor: Ecolab Inc.
Contract Term: 7/1/25 through 6/30/30
Renewals in Contract: Option to renew for an additional 5 years
Contract Amount: \$485,000
Annual Amount: \$97,000

This contract is for five (5) years and will be processed over five (5) fiscal years because the contract term starts at the beginning of a fiscal year.

<u>Fiscal Year</u>	<u>Calendar Period Covered</u>	<u>PO Amount</u>
Fiscal Year 1 PO:	July 1, 2024 – June 30, 2025	\$97,000
Fiscal Year 2 PO:	July 1, 2025 – June 30, 2026	\$97,000
Fiscal Year 3 PO:	July 1, 2026 – June 30, 2027	\$97,000
Fiscal Year 4 PO:	July 1, 2027 – June 30, 2028	\$97,000
Fiscal Year 5 PO:	July 1, 2028 – June 30, 2029**	\$97,000

**If the Option to Renew for an additional five (5) years is contracted, then we will have:

Renewal Fiscal Year 1 PO: July 1, 2029 – June 30, 2030
Renewal Fiscal Year 2 PO: July 1, 2030 – June 30, 2031
Renewal Fiscal Year 3 PO: July 1, 2031 – June 30, 2032
Renewal Fiscal Year 4 PO: July 1, 2032 – June 30, 2033
Renewal Fiscal Year 5 PO: July 1, 2033 – June 30, 2034

The single-year requisition must include the following information in the *Notes to buyer* box above the signature lines. The buyer will include this information on the PO.

Contract Information:

- (1) Contract Term
- (2) Contract Amount
- (3) Contract Year X of Y
- (4) Renewal Terms

FY25 Example: Contract Term 7/1/24-6/30/29. Contract Amount \$485,000. Year 1 of 5. Option to renew for 5 years.

If you are in renewal years:

FY30 Example: Contract Term is 7/1/24-6/30/29. Contract Amount \$485,000. Renewal Year 1 of 5. Option to renew for 5 years.

EXAMPLE #2: Multi-Year Contract that DOES NOT start at the beginning of a Fiscal Year

This example has a five-year contract that starts at the beginning of month seven (January) of a fiscal year. Costs must be pro-rated for the amount on each fiscal year’s requisition.

Vendor: Knight Hawk Coal LLC
Contract Term: 1/1/25 through 12/31/30
Renewals in Contract: NO option to renew
Contract Amount: \$13,000,000
Annual Amount: \$2,600,000

This contract is for five (5) years, but with single-year POs, it will be processed over six (6) fiscal years because the contract term DOES NOT start at the beginning of a fiscal year. The first and last single-year POs will have a term of six (6) months.

Fiscal Year	Calendar Period Covered	Portion of Contract	PO Amount
Fiscal Year 1 PO:	January 1, 2025 – June 30, 2026	Months 1-6	\$1,300,000
Fiscal Year 2 PO:	July 1, 2026 – June 30, 2027	Months 7-18	\$2,600,000
Fiscal Year 3 PO:	July 1, 2027 – June 30, 2028	Months 19-30	\$2,600,000
Fiscal Year 4 PO:	July 1, 2028 – June 30, 2029	Months 31-42	\$2,600,000
Fiscal Year 5 PO:	July 1, 2029 – June 30, 2030	Months 43-54	\$2,600,000
Fiscal Year 6 PO:	July 1, 2030 – December 31, 2031	Months 55-60	\$1,300,000

The single-year requisition must include the following information in the *Notes to buyer* box above the signature lines. The buyer will include this information on the PO.

Description:

- (1) Contract Term
- (2) Contract Amount
- (3) Contract Year X of Y
- (4) Renewal Terms

FY26 Example:

Contract Term 1/1/25-12/31/31. Contract Amount \$13,000,000. Months 1-6. No renewals.

FY27 Example:

Contract Term 1/1/25-12/31/31. Contract Amount \$13,000,000. Months 7-18. No renewals.

EXAMPLE #3: Single-Year Contract that DOES NOT start at the beginning of a Fiscal Year

This example has a one-year contract that will be processed over two (2) fiscal years. The contract starts at the beginning of month 3 (September 1) of a fiscal year.

Vendor: Frontier
Contract Term: 9/1/24 through 8/31/25
Renewals in Contract: NO option to renew
Contract Amount: 19,200
Monthly Amount: \$1,600

This contract is for one (1) year, but with single-year POs, it will be processed over two (2) fiscal years because the contract term DOES NOT start at the beginning of a fiscal year.

Fiscal Year	Calendar Period Covered	Portion of Contract	PO Amount
Fiscal Year 1 PO:	September 1, 2024 – June 30, 2025	Months 1-10	\$16,000
Fiscal Year 2 PO:	July 1, 2025 – August 31, 2025	Months 11-12	\$3,200