

PO EXEMPTION REQUEST FORM (CO-765)

AUTHORITY

Connecticut General Statutes, Sections 3-112 "Powers and Duties," 4-98 "Claims Against the State," and Office of the State Comptroller Memorandum No. 2026-25 "Exceptions to Purchase Order Requirement, Non-PO Vouchers."

PURPOSE

Issuance of a Purchase Order (PO) is an essential internal control and financial management practice that ensures transparency, accountability, and compliance with state procurement and budgetary requirements. Recognizing the importance of the PO process as a financial control, the **PO Exemption Request Form** is used to document and justify situations where a PO will not be issued. The form requires detailed explanations and supporting documentation to demonstrate that adequate alternate controls are in place to mitigate risks associated with not issuing a PO.

These instructions are intended to guide users in completing the **PO Exemption Request Form** to ensure all submissions meet minimum documentation requirements and to facilitate a timely review by the Office of the State Comptroller.

GENERAL INSTRUCTIONS

Agencies should only submit PO Exemption Requests for payments that are not already covered by Comptroller Memorandum No. 2008.38 "Non-PO Vouchers." Completed request forms should be submitted to osc.apdpa@ct.gov along with any applicable supporting documentation (e.g., agreements, statutes, memoranda). Incomplete requests will be returned without review. Additional information may be requested during the evaluation process.

For questions, contact the **Office of the State Comptroller – Central Accounts Payable Audit Team** at osc.apdpa@ct.gov.

PO EXEMPTION REQUEST FORM - INSTRUCTIONS

SECTION I – REQUESTER INFORMATION:

Enter the 5-character alphanumeric business unit code, Agency Name, and agency contact information.

Example: OSCM1 – Office of the State Comptroller

Contact: Name, Title, Email, Phone Number

SECTION II – PAYMENT DETAILS:

Provide a detailed explanation of the transaction(s) for which the Agency is requesting a PO Exemption. [Refer to page 3](#) of the CO-765 Instructions, "PO Exemption Request Form – Payment Details Example Request," for guidance. Please note that the example provided is for reference only; each request is unique and should be completed according to its own needs and merits. If additional space is needed, provide a title or brief description of the payment(s) in the box below and attach the PAYMENT DETAILS as a separate Word file, so that the Request Form and the PAYMENT DETAILS document can be linked.

Clearly explain the program or activity so that reviewers can understand how it operates and why a purchase order is not feasible. Providing detailed payment information will expedite the review process. Providing us with information to distinguish these payments from others will make the auditing process smoother and lead to less findings for agencies to review during the Comptroller's voucher post audit process.

This description should include, but is not limited to:

- a. The purpose and business justification.
- b. The population served.
- c. The business rationale for processing as a Non-PO Voucher.
- d. How payments are structured, timed, and the expected quantity or volume.
- e. The governing authority, especially if there is a state statute (CGS), public act (PA), federal (CFR/USC) or state regulation, or policy directive, which authorizes the activity. If that authorizing document or other authority has an end date, please provide that as well.
- f. Whether the program falls under a grant or other funding source, and the grants end date if there is an end date.
- g. Accounting information such as Account Code, Fund, SID, and Chartfield values.
- h. How the budget is monitored and managed.
- i. The internal or compensating controls that substitute for Core-CT encumbrance and budget-exception monitoring.
- j. Indicate whether contracts exist for these payments and explain how spending will be attributed back to that contract to prevent exceeding budget limits.

- Describe the compensating controls the agency will employ to ensure compliance with contractual constraints.

SECTION III – EXEMPTION TYPE:

1. Select the exemption type by checking the appropriate box. The exemption can be either a One-Time Exemption or a Recurring/Ongoing Exemption.
 - One-Time Exemption applies to a single payment; the payment amount should be provided.
 - Recurring/Ongoing Exemption applies to a series of similar payments.
 - i. For recurring exemptions, indicate the expected duration of the payments and the estimated number of payments.
 - ii. These estimates are only used to get a general idea of the scope of the exemption and may change as the project moves forward. Significant changes to the frequency or quantity of the project payments should be communicated to osc.apdpa@ct.gov

SECTION IV – CERTIFICATION & SUBMISSION:

2. Complete all fields then digitally sign and date the form.
 - This form can be signed using Adobe Sign, DocuSign, or a typed name, provided the submission originates from the signer's official agency email. This serves as verification of authorship and maintains a clear chain of custody.
3. After completing the form, email it to **osc.apdpa@ct.gov** with the subject line formatted as follows: the Business Unit Code followed by “– PO Exemption Request.”

Example: OSCM1 – PO Exemption Request.

SECTION V – APPROVAL/REVIEW: FOR OSC USE ONLY – AGENCY PERSONNEL DO NOT COMPLETE THIS SECTION

4. To be completed by the Office of the State Comptroller.
 - OSC will return the completed form indicating either approval or denial. If approved, the exemption becomes effective on the approval date shown on the form and will include an expiration date.
 - i. OSC reserves the right to amend or revoke approval at any time by providing written notification to the agency.
 - Agencies must submit a new request form to renew the exemption prior to the expiration date or notify OSC sooner if any information in the original request changes.
 - The program must be internally reviewed by the agency, annually.
 - Significant changes to the frequency or quantity of the project payments should be communicated to osc.apdpa@ct.gov

PO EXEMPTION REQUEST FORM – Payment Details Example Request

Program Description:

We are requesting a PO exemption for payments where the agency administers a program for standardized, low-cost services performed by private vendors selected externally (for example vendors selected by clients, families, or local facilities). Each service is billed individually at a fixed rate. The agency cannot know in advance which providers will submit claims or how many transactions will occur in each period. The vendor population changes frequently, and annual counts can range from a few hundred to several thousand invoices across more than a hundred unique payees. Because of this variability, establishing and maintaining individual purchase orders for each vendor or transaction is not practical.

Coding:

Payments will be processed as Non-PO Vouchers using Account [Code – Description], Fund [Code], SID [Code] (for example, "Account 55070 –State Aid Grants; Fund 11000; SID 35249"). A fixed chartfield template is used for all activities under this program.

Justification:

The program's purpose is to pay qualified service providers for specific tasks completed on behalf of eligible participants. Providers are not pre-selected or contracted with the State; they perform work as requests arise. The absence of predictable volume and vendor stability makes pre-encumbrance through Core-CT purchase orders administratively burdensome and ineffective for budget control. Non-PO vouchers enable timely payment while maintaining fiscal accountability through alternate controls.

Budget:

A dedicated budget line is established each fiscal year for this program. Expenditures are tracked monthly against the appropriated amount through internal reporting from the agency's Access database and Core-CT voucher queries.

Controls:

The agency offsets the lack of Core-CT encumbrance and budget-exception monitoring through structured compensating controls:

- A secure tracking system (e.g., Excel, QuickBooks, etc.) logs every service request and payment, generating unique identifiers and preventing duplicates.
- Each vendor invoice is required to reference that identifier, allowing reconciliation between the Access record and Core-CT voucher.
- Segregation of duties separates request, data entry, and voucher approval functions, with dual sign-off for each batch.
- We separate duties between three employees.
 - Fiscal Clerk: Enters invoices and service requests received from providers into the tracking system.
 - Program Supervisor: Reviews available budget in both the tracking system and Core-CT, approves the request in the tracking system, and returns the invoice to the business office for payment.
 - Fiscal Clerk: Creates the voucher in Core-CT based on the approved request.
 - Business Office Supervisor: Verifies program approval in the tracking system and provides final voucher approval in Core-CT.

The agency reviews and updates this program on an annual basis to ensure that procedures remain aligned with current statutory authority, budgetary practices, and internal control requirements. We will perform a comprehensive review whenever there is a substantial change in the business process or funding structure.