STANDARD OPERATING PROCEDURE

Purchase Requisition SOP

Document no.	SOP-PRC-001
Revision	1.0
Owner	Procurement Manager
Effective date	September 15, 2026
Review cycle	Every 12 months

1. Purpose

To capture and approve purchase needs consistently before a purchase order is issued, making sure spending is authorized, budgeted and traceable back to a business need.

2. Scope

Applies to internal requests for goods or services from the point a need is identified through requisition approval. Purchase order issuance and supplier communication are covered by a separate SOP.

Definitions

Requisition	An internal request to purchase goods or services, submitted before a purchase order is created.
ERP	Enterprise Resource Planning system, the software used to manage requisitions, purchase orders and budgets.
Budget owner	The manager responsible for a cost center's budget who must approve spending against it.
Preferred supplier	A supplier already vetted and approved for use, listed in the procurement system's supplier catalog.

3. Responsibilities

Requester	Submits the requisition with a clear description, quantity, cost estimate and business justification.
Budget Owner	Approves or rejects the requisition based on budget availability and business need.
Procurement Analyst	Reviews requisitions for completeness, checks preferred supplier options, and converts approved requisitions to purchase orders.
Procurement Manager	Approves requisitions above the analyst's authority level and resolves policy exceptions.

RACI matrix

Activity	Requester	Budget Owner	Procurement Analyst	Procurement Manager
Submit requisition	R/A	I	I	-
Review for completeness and policy	C	-	R/A	I

Activity	Requester	Budget Owner	Procurement Analyst	Procurement Manager
Approve against budget	I	R/A	I	-
Approve above authority threshold	I	C	R	A
Convert to purchase order	I	I	R/A	-

R = Responsible, A = Accountable, C = Consulted, I = Informed

4. Materials and PPE

Materials, tools and systems

- ERP or procurement requisition form
- Approved supplier catalog
- Budget or cost center report
- Requisition approval matrix by dollar threshold
- Requisition tracking log

5. Procedure

Step	Task	Owner	Done
5.1	**Identify the purchase need** Confirm the specific item or service needed, the required quantity, and whether an existing preferred supplier or contract already covers it before starting a new requisition.	Requester	☐
5.2	**Check the approved supplier catalog** Search the approved supplier catalog for the item or service, since using an existing preferred supplier speeds up approval and skips a separate sourcing step.	Requester	☐
5.3	**Complete the requisition form** Complete the requisition with item description, quantity, estimated cost, cost center, needed-by date and a short business justification for the purchase. **Checkpoint:** Every requisition includes a cost center, estimated cost and business justification before submission.	Requester	☐
5.4	**Submit the requisition** Submit the completed requisition in the ERP, which should automatically route it to the correct budget owner based on the cost center.	Requester	☐
5.5	**Review for completeness and policy fit** Review the incoming requisition for missing information, correct cost center coding, and whether it should go through a formal supplier selection process instead of routing directly to a known supplier.	Procurement Analyst	☐
5.6	**Return an incomplete requisition** Send an incomplete or unclear requisition back to the requester with specific notes on what is missing, rather than guessing or approving it as is.	Procurement Analyst	☐

Step	Task	Owner	Done
5.7	**Check budget availability** Check the requisition's estimated cost against the remaining budget for the cost center before approving, flagging any request that would exceed the available balance. **Checkpoint:** Budget availability is confirmed against the cost center balance before a requisition is approved.	Budget Owner	☐
5.8	**Approve or reject the requisition** Approve the requisition if it is within budget and justified, or reject it with a clear reason if it is not, and record the decision in the ERP.	Budget Owner	☐
5.9	**Route high-value requisitions for additional approval** For a requisition above the budget owner's authority threshold, route it to the procurement manager for a second approval before it proceeds. **Warning:** Never split a purchase into smaller requisitions solely to stay under an approval threshold; route the full value for proper approval.	Procurement Analyst	☐
5.10	**Approve requisitions above threshold** Review high-value requisitions escalated for additional approval, checking justification and budget impact before approving or rejecting them.	Procurement Manager	☐
5.11	**Convert the approved requisition to a purchase order** Once fully approved, convert the requisition into a purchase order draft, confirming supplier, pricing and delivery terms before it moves to the purchase order SOP.	Procurement Analyst	☐
5.12	**Track requisition cycle time** Track the time from requisition submission to approval or purchase order conversion monthly, and follow up on any requisition stuck in approval beyond the target time.	Procurement Manager	☐

6. Quality checks

- Every requisition includes a cost center, estimated cost and business justification.
- Budget availability is confirmed before a requisition is approved, not after.
- Requisitions above the authority threshold always receive a second approval.
- Incomplete requisitions are returned to the requester with specific notes rather than guessed at.

7. Records

- Submitted requisition forms
- Approval and rejection decisions
- Budget check results
- Requisition cycle time report

8. KPIs

- Average requisition approval cycle time
- Percentage of requisitions returned for incomplete information
- Percentage of spend routed through preferred suppliers
- Number of requisitions requiring escalated approval

9. Common mistakes

- Submitting a requisition without checking the approved supplier catalog first.

- Approving a requisition without confirming budget availability.
- Splitting a large purchase into smaller requisitions to avoid a higher approval threshold.
- Leaving a requisition's business justification vague, slowing down the approval decision.

10. Revision history

Revision	Date	Description	Reviewed by
1.0	September 15, 2026	Initial release	Ilia Pirozhenko

Approval

Prepared by	Approved by	Date

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