Non-Contract Blanket Orders

I. A Non-Contract Blanket Order (NBO) is an order issued to establish an account with a specific external vendor for a specified period for the purchase of similar supplies or services for which no contract or waiver has been obtained.

A. Definitions:
   1. A release is the purchase of one item or multiple items from the same vendor at one time.
   2. A transaction is the total invoice resulting from a release.
   3. A release order is a locally reproduced correspondence that is recommended for use as a method of maintaining written documentation of releases placed with vendors against blanket orders.

B. Limitations:
   1. No single transaction or release against an NBO may exceed $5,000.
   2. Total releases against the NBO may not exceed $5,000 within any 30 day period; $12,000 within any 90 day period and $24,500 within the twelve month limit.
   3. An NBO should not be requested for less than $5,000.
   4. The NBO may not be for less than 30 days or for more than 12 months.
   5. NBOs utilizing all funds except 133 and 144 must expire June 30. NBOs utilizing funds 133 and 144 may overlap state fiscal year end but must expire on or before the end date of the funding source.
   6. Only one NBO to any one vendor may be issued per departmental program (defined as individual responsibility center, grant or other distinct accounting entity established within a department).
   7. NBO purchases are limited to the items covered by the class code and general description in the body of the blanket order.
   8. Releases may not be made against an NBO until the ordering department receives their copy of the order from Purchasing unless clearance has been received from the Purchasing Agent who is assigned the NBO.

C. Procedures:
   1. Prepare an external requisition in accordance with the instructions in Procedure 3.2.1.
      a. Indicate the beginning and ending dates of the NBO in the block provided on the requisition.
      b. Enter the description: "Non-Contract Blanket Order for (description of product or service)."
2. Route the requisition through your normal approval channels to Pre-Audit in Accounting Services.

3. Provide copies of the resulting department copy of the NBO to any individual authorized to place releases against the order.

4. Maintain sufficient funds in the ONBO to cover prospective purchases by encumbering such changes at the approving level within your division, school or college; or requesting such changes in writing or by email through your appropriate approving level within your division, school or college to Pre-Audit in Accounting Services. Refer to the existing requisition number in all correspondence.

5. The ordering department is responsible for tracing delivery on product or service not received and for product returns, replacements and credits for items received on NBOs.

6. Release order correspondence may be used to convey the release order to the vendor or simply as an internal record of the release order. If the release order is telephoned to the vendor, be certain that the vendor understands that the purchase order number must appear on the resulting invoice or that invoice will be rejected.

7. Requests for NBOs are subject to Pre Audit steps for appropriateness and other institutional approvals listed in Procedure 3.2.6 – Purchases Requiring Additional Approvals.

II. Requests for NBOs are subject to review, revision or rejection by Purchasing.

A. Patterns of ordering by multiple departments to the same vendor for the same products or services are reviewed for consolidation into a biddable contract with potential alternative vendor selection.

B. Products and services requested are reviewed against existing contracts for potential alternative vendor selection.

C. Products and services requested are reviewed against offerings in current listings of certified minority businesses and licensed sheltered workshops in Procedures 3.3.1 – Certified Minority Owned Businesses and 3.3.13 – Certified Work Centers respectively, for the purpose of furthering the University's commitment to Affirmative Action.

III. Periodic trend audits of NBOs are performed by Purchasing to correct improper application of this procedure.

A. Failure to comply with limitations of NBOs or failure to keep those orders adequately funded may result in withdrawal of the privilege to use such orders for the responsible departments.

B. Failure to comply with limitations of NBOs subjects the responsible individual to the unauthorized purchase process listed in Procedure 3.2.4 – Non-Conforming Purchases.

Questions regarding Non-Contract Blanket Order procedures should be directed to Purchasing.