Blanket Order Guidelines (UNMC only)

1. A Blanket Order form **SHOULD** be used when the ordering departments/cost centers:
   - Purchase repetitive, services or non-catalog items, or categories of items from the same supplier; which are purchased and paid in an **irregular** manner during a certain time period, usually one (1) year
   - Prices are **unknown** at ordering time, or subject to change later without notice

2. A Blanket Purchase Order format shall include the following information:
   - The period to be covered by the blanket agreement (generally should not exceed one year)
   - A cancellation clause (Example: University reserves the right to cancel the Purchase Order or any portion thereof if delivery is not made when and as specified)
   - The previous Blanket Order number, if this is a replacement Blanket Order
   - Items and/or categories of items to be covered by the Blanket Order (when available)

3. Blanket Orders generally **SHOULD NOT** be used:
   - For regulated or controlled substances
   - For purchases of repetitive services or items from the same supplier, which quantities and **prices or fees are known** at the time of ordering. In this instance, use a non-catalog order form instead. (For example, Consulting Services for one year at the following rate: $2,000/month)

4. Blanket Orders $5,000 and Above:
   - All University business rules apply to Blanket Orders.
   - Supporting documentation is required for Blanket Orders $5,000 and above, and those expected to reach $5,000 or more in expenditure during the fiscal year with a supplier **NOT** under an agreement.
   - Procurement will provide assistance in negotiating price agreements and/or obtaining bids from different suppliers.

5. Encumber Funds in SAP: All ordering departments are encouraged to select the option to encumber funds in SAP whenever possible to avoiding budget overspending.
   - **Note:** When split funding is used and ‘Yes’ is selected to encumber funds, only the FIRST cost object entered will display the commitment in SAP. Invoices with split funding will contain every cost object specified when the actual posting occurs in SAP.

6. Delivery: F.O.B. terms, should be negotiated prior to the blanket order being issued.

7. Change or increase to order: If a change needs to be made to a Blanket Order, please complete a Change Request form to include description and the amount increase, if applicable, and submit it through the system to be processed.

8. Annual Review: It is recommended at the beginning of each FY and/or prior to requesting a new Blanket Order; the ordering department should review the existing Blanket Order for any changes.

*Updated: May 6, 2016*