

BLANKET ORDERS

Effective: January 12, 1981 06-02

Most Recent Revision: June 28, 1988

Objective: To establish procedures for encumbering funds to cover expenses which recur throughout the year; e.g., rent, telephone, heat, oil, gravel, etc.

Reference: Finance Office

Policy of the Board of Representatives:

1. To encumber funds to cover expenses which recur throughout the year; e.g., rent, telephone, heat, oil, gravel, etc., a purchase order for the full dollar amount budgeted for the year should be generated through the procedure described in Policy 06-01. These funds will then be automatically encumbered.
2. Each time it is necessary to pay the expense, an unnumbered voucher copy of the purchase order should be filled out, assigned the original purchase order number and sent to the Finance Office. The Finance Office will then approve the payment.
3. In the event that it becomes necessary to cancel an encumbrance (e.g., if a lease is canceled or expires), the department may do so by sending the receiving copy of the original purchase order to the Finance Office with "CANCEL" written on it. The department must also notify the Division of Purchasing when a blanket order is reduced or canceled.
4. Blanket orders may not be increased. When the funds encumbered by a blanket order are expended, a new blanket order must be set up as described above.
5. Blanket purchase orders for amounts above the bid limit will not be approved unless the item(s) have been bid or the purchases are from a valid state contract. A series of blanket purchase orders resulting in spending above the bid limit will not be approved.

Effective: January 12, 1981 06-02

Most Recent Revision: June 28, 1988

Objective: To establish procedures for encumbering funds to cover expenses which recur throughout the year; e.g., rent, telephone, heat, oil, gravel, etc.

Reference: Finance Office

Policy of the Board of Representatives:

1. To encumber funds to cover expenses which recur throughout the year; e.g., rent, telephone, heat, oil, gravel, etc., a purchase order for the full dollar amount budgeted for the year should be generated through the procedure described in Policy 06-01. These funds will then be automatically encumbered.
2. Each time it is necessary to pay the expense, an unnumbered voucher copy of the purchase order should be filled out, assigned the original purchase order number and sent to the Finance Office. The Finance Office will then approve the payment.
3. In the event that it becomes necessary to cancel an encumbrance (e.g., if a lease is canceled or expires), the department may do so by sending the receiving copy of the original purchase order to the Finance Office with "CANCEL" written on it. The department must also notify the Division of Purchasing when a blanket order is reduced or canceled.
4. Blanket orders may not be increased. When the funds encumbered by a blanket order are expended, a new blanket order must be set up as described above.
5. Blanket purchase orders for amounts above the bid limit will not be approved unless the item(s) have been bid or the purchases are from a valid state contract. A series of blanket purchase orders resulting in spending above the bid limit will not be approved.