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## Blanket Purchase Orders

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Revised: 10.28.03

### I. POLICY

*Blanket purchase* order payments are utilized for recurring purchases from the same vendor that would normally require a purchase order. Under University of North Dakota policy, all Blanket Purchase Order payments are to be processed with a *Voucher*.

### II. PROCEDURES

- Obtain a *Blanket Purchase Order* number from the Purchasing Office by completing a *Purchase Requisition*.
- Complete a *Voucher*, attach the original invoice(s) and forward to Accounting Services for processing.
- Required departmental approval signature(s) in ink should be obtained. Faxed signatures are also accepted, however, every effort should be made to obtain the original signatures. Authorized individuals should utilize their own signature, rather than signing another person's name to a document or using a signature stamp and initialing.
- The *Blanket Purchase Order* number should appear on the *Voucher* (lower left-hand corner in the box labeled "Purchase Order No.").
- Review the *Voucher* and *Purchase Order* to ensure that the correct Accounts are being used, according to the Account Listing.
- Fund number(s) and Account(s) charged on the *Voucher* should be authorized on the blanket order.
- If additional funds or Accounts need to be authorized on a blanket order, a written request to modify the *Blanket Purchase Order* should be sent to the Purchasing Office prior to the payment being submitted to Accounting Services.
- Capital equipment equal to or greater than \$5000 should not be purchased on a blanket order.
- The vendor name on the invoice should be the same as the vendor name on the *Blanket Purchase Order* and *Voucher*. A majority of the time this will be the case, however there will be instances, generally in the case of sole proprietorships, for which the tax identification number and name used for the vendor will actually be the vendor's personal name versus the business name. This is required by the Internal Revenue Service. For example, Michael Moulton is a vendor that operates under the name B & M Composition. The vendor name on the invoice will say "B & M Composition", however, the check will be made out to "Michael Moulton", as the university is paying the individual and the individual's tax identification number is being used.
- The FUND-DEPARTMENT-ACCOUNT-PROGRAM NUMBER-PROJECT fields should be completed.

- Invoices(s) should equal the *Voucher* amount.
- Effective July 1, 2007, an actual invoice/agreement will be required for payments for services. Services greater than \$5000.00 will require a purchase order. Departments can utilize the invoices for services form or the agreements located on the [Purchasing Forms webpage](#).
- If there is an error on an invoice from a vendor, the department should contact the vendor and either obtain a corrected invoice or approval from the vendor to change the invoice. If the invoice is to be changed, there should be a notation on the invoice stating the name of the person at the company who approved the change and the date the change was approved. If an item has been returned or removed from the invoice, a credit memo from the vendor should accompany the invoice.
- Proper invoices should be attached. If the original copy of an invoice is not available, indicate on the voucher or invoice that the copy submitted is the "Only Copy Available". Faxed copies of invoices are acceptable. Invoices should be billed to the University of North Dakota.
- Invoices that are hand or type-written should be reviewed for mathematical accuracy to ensure that there are no addition errors. When the invoice is computer-generated, no verifications of mathematical accuracy are necessary.
- Payment should not be made from a vendor's statement. If a statement is attached, previous balances are not paid unless an invoice is also attached.
- Sales tax should be deducted from the invoice if the merchandise is shipped to UND or purchased in North Dakota.
- Discounts should be taken within the vendor terms.
- Items should be reviewed to ensure that they are allowable purchases.
- Freight should be included as part of the cost of the item and coded with the same Account as the item purchased.
- The invoice number and customer number should be recorded on the *Voucher*. If there is more than one invoice, the *Voucher* number may be used in the INVOICE NUMBER field on the *Voucher*.
- Accounting Services will obtain approval from the Grants & Contracts Administration Office on payments that require their approval.