

Blanket Order Program Procedures

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Placing Orders

- Identify yourself (name and Leidos Biomedical Research, Inc.)
- State that you are placing an order against Blanket Agreement # _____, i.e., B13979BN
- If applicable give account number and/or quote number (listed on blanket order report and/or in the blanket order comments section)
- Give correct purchase order/release number. For example B13979BN1

Blanket Number	B13979BN
CostPoint release #	1
Blanket release #	B13979BN1

User/Requestor will retrieve release number from BPA # Log.

- Give catalog number, item description, size, unit of measure, quantity, etc.
- Ask for pricing and availability
- Give complete ship to address: Leidos Biomedical Research, Inc.
ATTN: PO # xxx / requester name
Building 1050 Boyles Street
Frederick MD 21702-1201
Requester Bldg/Room #
- Ask vendor to reference all of the ship to information above on all packages, mailing labels, packing slips and invoices
- Ask to whom you are speaking
- Ask for reference number (not all orders will have a reference number)
- Note any additional charges (special handling, overnight shipments, etc.)

It is very important that all these points are covered and the information is correct.

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Purchase Considerations

- **Laboratory Supplies – Mandatory Sources** - Presently VWR International (Large Business consideration) & Thomas Scientific (Small Business consideration)
- **Books** – ISBN must be entered in Manufacturers field. Book must be stamped with property of FNLCR stamp, (available from the Central Supply – 75105730).
- **Oligos** – Eurofins MWG Operon or Integrated DNA (Small Business concern), Invitrogen (Large Business consideration)

UNALLOWABLE PURCHASES

The below items CANNOT be ordered even if they are available from an established blanket order vendor:

- Computers to include: laptops, desktops and servers
- Computer Software except Microsoft and Adobe products, (i.e., No Operating Software, Windows 7, Vista, etc.)
- Hard drives
- Personal items such as coffee pots, food/drink (except as allowed for specific areas), greeting cards, medications (except for animals), paper supplies (napkins, plates, forks, spoons), pictures, plants, stationary, toasters.
- Portable electric heaters
- Business cards
- Capital equipment
- Controlled Materials
- Animal/Human derived items
- Ethyl alcohol, ethanol (190 & 200 proof)
- Prescription safety glasses
- Radioisotopes
- [Controlled Substances – DEA Schedule 2, 3 & 3N](#)
- Promotional Items
- Services usually provided by FME through work orders
- Items/item categories that are NOT listed on the blanket order report or in the comments section

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- Items specifically stated in the blanket order comments section as NOT authorized to purchase
- Shipping or other fees associated with materials being transferred to Leidos Biomedical Research, Inc. (i.e., not available for purchase)
- Any costs involving a collaborative effort
- Costs for items or services delivered to or for 1) any entity other than Leidos Biomedical Research, Inc. or 2) any off-site Leidos Biomedical Research, Inc. location without prior approval from the Purchasing Department
- Any cost requiring a separate agreement, such as a user license without prior approval from Manager, Purchasing
- Orders placed by individual who have not been authorized as a user/requestor or user/buyer

Purchases not within these guidelines are considered unauthorized and require the Acquisition Support Supervisor in Purchasing to ratify the procurement prior to any payment to the vendor. In some cases, such as collaborative or material transfer efforts, costs may be unallowable and thus not approved. If not approved, the Blanket User Buyer/Requestor can be liable for the cost of the procurement.

Do's and Don'ts

- Do**
- Use the current contract year blanket orders
 - Print a blanket order list periodically throughout the contract year
 - Only use account number listed on the blanket – do not create a new account**
 - Review blanket order comments before placing orders
 - Use the correct Blanket release number according to date of order
 - Give correct deliver-to information
 - Inspect all deliveries. Contact the Receiving department if there is a discrepancy
 - Notify Purchasing if a user/buyer or user/requestor is no longer a user of the Blanket Order Program
 - Complete the Blanket order release entry the same day that the order was placed.

Request vendor send invoice to Accounts Payable Department

- **By mail – Leidos Biomedical Research, Inc.**
P.O. Box 13730
Philadelphia, PA. 19101
- **By email – LeidosBiomed@invoices.corcentric.com (preferred)**

- Don't**
- Place orders against expired or previous contract year blanket orders
 - Place orders unless you have been authorized as a user/requestor or user/buyer
 - Order items listed as unallowable
 - Wait until the invoice arrives to enter your blanket order release.
 - Place orders for capital equipment (any system \$5K or more)

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Blanket Order Release Review

- **Releases must be entered into CostPoint the same day the order is placed.** Orders not in CostPoint cannot be received and delivered to the requestor.
- User/Requestors must submit order to User/Buyer to be entered into CostPoint same day order is placed.
- Use correct Blanket release number.
- **All Items that are receivable must be entered with correct Item Number** – Offsite (No Receiving Department) must use deliverable item number (Not NGR – No Good Received) if appropriate. Receiving Department POC Mandi Miller must be contacted and provided proof of delivery (email attestation that receipt of item has occurred) so a receipt can be put into the system to allow invoice payment.
- Always enter the release with the same purchase order number that was given to vendor at the time the order was placed, even if it is not correct.
- Assign correct item number – refer to **Item Number section** for detailed descriptions.
- **Releases must be entered by the line items ordered, not by one line for the total cost of all items ordered.**
- Applicable freight, tax and miscellaneous charges such as dry ice are not to be entered on the release. These charges should be noted in Header Notes.

Invoices

For vendor invoices to be processed by accounts payable for payment the following steps should be followed:

- **By mail – Leidos Biomedical Research, Inc.**
P.O. Box 13730
Philadelphia, PA. 19101
- **By email – LeidosBiomed@invoices.corcentirc.com (preferred)**

If a vendor forwards an invoice to User/Buyer, User/Buyer must contact vendor and request the invoice be resent to LeidosBiomed@invoices.corcentirc.com.

Should these Blanket Order procedures not be followed in a prudent manner, the blanket order privileges may be suspended until the issues are resolved. It may be necessary for

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the user/buyer to attend a Blanket Order training session again prior to having these privileges reinstated.

RETURN OF GOODS PROCEDURE

Discrepancies, returns and replacements are handled by the users as follows:

DAMAGED ITEM/VENDOR SHIPPED WRONG ITEM

If you receive a damaged item or the condition is not acceptable or if the vendor ships the wrong item, **notify the Receiving Department immediately.**

Receiving Department responsibility:

Pick up item from the requestor
Forward item to Transportation for return shipment to vendor
Return item in system
Make applicable return comments in system

ITEM ORDERED INCORRECTLY – NO REPLACEMENT EXPECTED

If an item was ordered in error and you do not want a replacement -

User/Buyer responsibility:

Contact vendor to make arrangements for return
Initiate Return of Goods Form

<http://ncifrederick.cancer.gov/campus/safety/wizard/return/>

This form must be completed on-line for returning of goods from the Facility.

If vendor charges a restocking fee, add line to existing Blanket Order Release (see Change Order Procedure – Add Line)
Enter applicable comments in Header Notes

Receiving Department responsibility:

Pick up item from the requestor
Forward item to Transportation for return shipment to vendor
Send copy of Return of Goods Form to Accounts Payable
Return item in system
Make applicable return comments in system

ITEM ORDERED INCORRECTLY – NEW ITEM AS REPLACEMENT

If an item was ordered in error and you want another item as the replacement -

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User/Buyer responsibility:

Contact vendor to make arrangement for return and order replacement -
Initiate Return of Goods Form

<http://ncifrederick.cancer.gov/campus/safety/wizard/return/>

This form must be completed on-line for returning of goods from the Facility.

Enter new line on Blanket Order Release for replacement and new line for any restocking fees (see Change Order Procedure – Add Line)

Enter applicable comments on Blanket Order Release

Receiving Department responsibility:

Pick up item from the requestor

Forward item to Transportation for return shipment to vendor

Return item in system

Make applicable return comments in system

NOTE: If you contact a vendor to return an item and it's a small dollar amount, the vendor may tell you to keep it at "no charge". A Return of Goods Form is still required.

BLANKET ORDERS

A Blanket Order agreement is a formal contract with a vendor that sets terms and conditions for procuring goods or services as defined in the contract.

A blanket order (or release) is a delivery order placed against a Blanket Purchase agreement.

Blanket Purchase agreements are established:

- When repetitive purchases are made for specific items, services or categories of items from the same vendor over a period of time
- By Purchasing personnel in accordance with the Federal Acquisition Regulation (FAR) and FNLCR prime contract requirements
- For the convenience of program areas to enable direct ordering
- To streamline the ordering process
- To receive a more favorable price and/or discount through volume commitments

Users

User/requester is authorized to place orders and request services.

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User/buyer is authorized to place orders, request services AND enter purchase order/release into CostPoint.

Responsibilities

Place orders using Blanket Order vendors, do not submit a Purchase Request.

Note: the procurements are the same regardless of the procurement method, i.e. by purchase request, blanket order or purchase card.

- Selecting vendor:

Multiple Blanket Purchase Agreements are established with several vendors for the same item or item category; for example, chemicals, enzymes, media, etc.. When selecting a vendor, each user must determine if the item purchased from that particular vendor is the best value/most competitive, thus assuring competitiveness compliance. The determination may be based on price, availability, functionality, past experience, etc.. Written documentation, while not required, may be helpful if questions arise as to why one vendor was selected over another.

Give preference to disadvantaged, small veteran and women owned businesses. Refer to the blanket order list for vendor classification.

- Check the blanket order list in the FNL Reporting Portal, Cognos for an active listing of all Blanket Purchase Agreements (BPA). If the BPA number is known, you may click onto Blanket Order Details for all pertinent comments and other information pertaining to the BPA. If the BPA number is unknown, the details can be reviewed from the Blanket Order List by clicking on the BPA Number when viewing the report (example: B14210N, which will be highlighted in blue). This information will provide you with guidance on allowable items as well as account numbers and the vendor point of contact for placing the order.
- Adhere to all blanket order policies, procedures and guidelines.
- Assign the correct purchase order/release number when placing orders. Use the blanket order number with the CostPoint release number.
- User/requesters must complete the Blanket Order Release Form and forward it to the User/buyer **immediately** after the order is placed.
- User/buyers must enter releases the same day the order is placed. Orders not in CostPoint cannot be received and delivered to the requestor.

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CONSEQUENCES OF NOT ADHERING TO BLANKET PROGRAM RESPONSIBILITIES

Failure to adhere to the responsibilities described in this manual may result in suspension or revocation of Blanket User privileges. The main actions against which the Three Strikes Policy is reviewed are:

1. Place orders for unallowable items or services
2. Failure to meet the timeline criteria detailed in this manual for requisite actions
3. Failure to respond to inquiries from the Blanket Program Coordinator or designee

THREE STRIKES POLICY

A Three Strikes Policy has been established as a correction mechanism to ensure the Blanket User Buyers and/ or User Requestors, focus on compliance with all responsibilities associated with the privilege of participating in the Blanket Order Program, not just placing the order.

This process is not based on making an error, rather it is a mechanism intended to correct and ensure future success in meeting Blanket User requirements.

The way it works:

If an action is not completed by the due date, the Blanket User will receive a strike.

The Coordinator may contact the Blanket User informally for clarification or to determine the reason for an action or non-action. If a Blanket User does not respond to an informal request within one (1) business day, a written e-mail request will be sent to the User Buyer. No strike occurs at this stage.

If the Blanket User does not respond to an inquiry from the Coordinator within two (2) business days of a written request, the Blanket User will receive a strike.

Note: In some cases, response does not mean the Blanket User has to have all requests completed during this time. For instance, it may often take longer to figure out a problem with the vendor or the end user, but the Blanket User is required to respond to the Coordinator with what they can by the deadline. The Blanket User will then update the Coordinator in the interim indicating what they are doing to meet the request, and give a reasonable timeframe for completing the request.

ACTIONS IF THREE STRIKES ARE ATTAINED

If a Blanket User receives three (3) strikes, their purchasing capabilities will be suspended until all outstanding requirements have been completed.

Once requirements are met, review of the Blanket User's profile/account is made to determine if a pattern of delinquencies and/or issues are noted. If none noted, purchasing

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capabilities are restored and all strikes are reset. If a pattern is noted, Coordinator will contact Blanket User's supervisor to discuss possible termination of privileges or temporary suspension from the Program. The suspension can range from one to three months, depending upon the situation as determined by the Coordinator. .

If the outstanding items are not completed within two (2) weeks, Blanket User privileges will be permanently terminated.

Note: In each status listed above, a notification e-mail will be sent to the Blanket User and their supervisor when a strike has been made.

LEGITIMATE REASONS FOR NON-COMPLIANCE

Of course there are times a legitimate reason exists for non-compliance, especially for unanticipated inquiries or occurrences. The burden is placed on the Blanket User to inform the Coordinator of known or anticipated errors or inability to carry out their Blanket User responsibilities

As soon as a situation is known, the Blanket User must notify the Coordinator. See below for common scenarios.

1. If Blanket Users are planning to be out of the office for vacations or planned medical absences, strikes can be totally avoided by simply notifying the Coordinator of the expected absences. In these instances, plans can be established to handle transactions while the Blanket User is out of the office.
2. For unplanned Medical or Bereavement Absences, notice from the Blanket User's supervisor can also eliminate strikes.

The Three Strike Program is not intended to penalize the conscientious Blanket User that has simply made a mistake, but rather to keep the Coordinator and other role players from expending unnecessary time and energy on a Blanket User that does not attempt to follow policy. These Blanket Users cost the company time and money in tracking and correcting postings, non-compliance with accounting standards and reporting, and in the worst situations, the cost of writing off expenses to unallowable because of the lack of proper documentation.

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Blanket Order Agreements

- Types of blanket orders -

Amount – set up for a dollar amount determined by purchasing personnel

Quantity – set up for specific line items with fixed cost

- Descriptions

General – biologicals, office supplies (see item number listing for definitions)

Items as listed – specific items only (refer to Blanket Order Comments)

- Classifications – give preference to vendors with MIN, SML, VET, and WOB. If no classification listed, vendor is a large business
- Questions about report – call Catherine Gaddis, ext. 1124.
- Comments

Blanket Orders have comments that must be reviewed before placing orders.
Comments should be printed and kept on file for reference.