



Blanket Order Guide

This guide will review the Blanket Order functionality: how to create and edit blanket orders, select a blanket order during the checkout process and how to draw down against your existing blanket orders.

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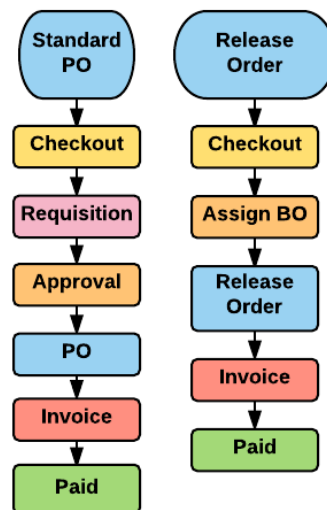
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What is the difference between a Standard Purchase Order and a Blanket/Release Order?

- **Standard Order:** A standard purchase order requires a requisition approval for each order before being issued to the supplier. The departmental buyer selects the items they would like to purchase from their shopping cart and creates a requisition. Each requisition is routed to follow the standard approval queues for each division and becomes an order. Once the items are received, the order is matched with an invoice and paid.
- **Blanket Order:** A blanket order (also known as a “standing order” in Banner) acts as an umbrella order (encumbrance) for multiple orders with one supplier. A departmental buyer will create a blanket order to allocate a specific amount of funds to one supplier for a set amount of time. Each blanket requisition is routed to follow the standard approval queues for the sub/department and accounts and becomes a blanket order. The blanket order allows the creator and any other authorized users to draw down from the blanket order as items or services are needed. Requisitions issued against a blanket order will automatically generate a Release Order without requiring any additional approvals.
- **Blanket Release Order:** A Release Order is issued to the supplier right away by using the pre-approved funds on the blanket order. A Release Order will look much like a standard purchase order to the supplier and in Banner with line level commodity details for better reporting.

The Blanket and Release Order process will be useful for suppliers including, but not limited to: suppliers historically paid via P-Card, suppliers you traditionally place standing or fiscal orders within Banner for services or approved commodities, and suppliers you require quick turnaround delivery times from.



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How Blanket Orders are Used

One of the primary benefits of using blanket orders is the expediency in which release orders are issued. The reason for this is that the approval process is not required for each release order since the overall Blanket order was approved and encumbered. Other benefits are for a running balance of the available encumbrance and a single PO number to have a services supplier invoice over time for a contracted job.

Blanket Orders can be used for goods or services as follows:

- **Goods:** In most cases, the blanket order number is not given to the supplier. The supplier receives the release orders and does not need to know about the blanket order. An invoice is submitted by the supplier against the release order. All transactions are tracked under the blanket order activity.
- **Services:** If the contract requires that an estimate for the work is provided by the supplier, then the blanket order will not be shared with the supplier and the user will create a release order based on the estimate. If an estimate is not required, the blanket order number is provided to the supplier. Registered suppliers can create invoices directly against the blanket order using the Order to Invoice process in their Unimarket supplier portal. The invoices are then approved by any one of the authorized users on the blanket order for payment. For vendors that issue paper invoices, Accounts Payable will be able to use the Order to Invoice functionality to create an invoice in Highlander eMerchant. This invoice will then be routed for approval by one of the authorized users on the blanket order.

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Features of a Blanket Order

Blanket orders include features that standard orders do not. These features are listed below.

Funds Available: The amount of funds remaining on a Blanket Order are tracked, allowing users to see how much is still available from the total encumbered amount on the order.

Valid From/To Date Range: Set a date range for the funds to be used. This allows buyers to be strategic with a budgeted amount between set dates. In most cases, the date range would align with the fiscal year of July 1st – June 30th.

Available To Users: Defined group of users who are able to create release orders or approve invoices against the Blanket Order.

Send to Supplier: When creating a blanket order, you can choose to send the blanket order number to the supplier if you intend for the supplier to invoice directly against the blanket order.

Hide Amount from Supplier: Departmental Buyers may choose to hide the total amount of the Blanket Order from the supplier. With this option selected, the total amount will remain hidden, so the supplier does not know the total amount of funds that have been reserved for them or the remaining balance. Alternatively, departmental buyers may choose to make this information known to the supplier by leaving the box unchecked.

Alert Amount: Choose an amount to send an alert when the Blanket Order available balance falls below the alert amount. For example, with a \$50 alert amount, the creator of the Blanket Order will receive an alert email when the remaining funds on the order drops below \$50.

Alert Date: Choose a date to send an alert to the creator of the Blanket Order, reminding them that the Valid To date is approaching and a new blanket order may need to be created. The Copy feature in the action's menu is a nice tool for creating a new blanket order with the same supplier for a new date range.

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Creating a Blanket Order

To create a Blanket Order, users must have the **Create Blanket Orders** role.

Step 1:

- A. Choose Marketplace > Create Blanket Order in the menu at the top of the page.
- B. You can also choose to create a blanket order from the supplier page in the marketplace.



Step 2: Complete the Details section of the Blanket Order.

You can use the Name and Description to explain what the Blanket Order will be used for. Users will also use the **Details** section to select the *Supplier*, *Blanket Order Amount* and *Valid To/From* dates. When issuing the Blanket Order against a contract, the Valid To date must be a date prior to the contract expiration date. Users will be required to fill out a default Index and Account for the Blanket Order. All future release orders will be auto filled with the same Index and Account. The *Available To* section represents the members who are authorized to use the Blanket Order. These members will be able to create release orders and approve invoices against the blanket order. The user who prepares the Blanket Order will become the owner/creator of the Blanket Order and will be the only authorized user that can modify the Detail fields of the Blanket Order.

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Create Blanket Order

Details

Name *

Description

Supplier * Amount * \$

Valid From * AM Valid To * PM

Default Account Code *
 COAS FUND ORGN ACCT PROG PlanOn
 1 - 100000 - 6505 - 7151 - 3100 - PlanOn

 Allow Release Order Coding

Tax \$0.00 Sensitive

Bill To * Illinois Institute of Technology [IITAP]
 invoicing@iit.edu
 Chicago, IL 60616

Ship To * Attn: Snow Rutkowske
 Illinois Institute of Technology [TC-09]
 10 W. 35th Street

(NOTE: If users add any attachments, they will have the option to share or hide the attachments from the supplier)

Step 3: Configure the Notifications

Users will use the **Notifications** section to determine whether they want to send the Blanket Order to the supplier via email. The user may also block the total amount for the Blanket Order from the supplier. If this box is not checked, the supplier will be aware of how much the users are approved to spend within the blanket order.

Users may also set an *Alert Amount* that sends the creator of the Blanket Order an email when the remaining funds drop below a certain amount. The *Alert Date* is used to alert the creator that the Valid To date is approaching.

Notifications

Send to Supplier Hide Amount from Supplier

Alert Amount \$ Alert Date PM

Step 4: Provide Justification Information

If the Blanket order is \$10,000 or great, you are required to complete the Vendor Selection Form in the requisition and also include 3 quotes or a Sole Source Justification in the Justification section of the

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Blanket Order. You can also provide any backup documentation as an attachment within the Justification section such as contracts, riders, etc..

Step 5: Organization Selection

Under the Justification Notes section of the checkout screen will be an Organization section. This section is for the visibility and receiving capabilities across your organization to the supervisors and other users.

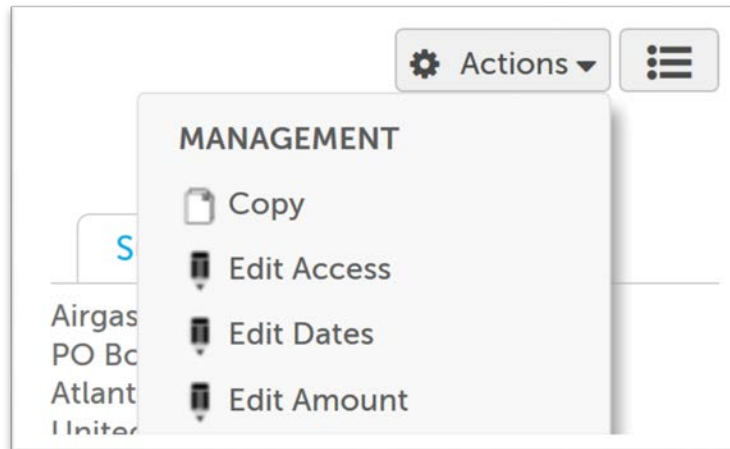
Once the information is completed, click on *Create* to submit the Blanket Order requisition into the approval process.

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Making Changes to a Blanket Order

After a Blanket Order is created, the creator of the Blanket Order can edit the Blanket Order using the Actions menu. The following actions will be available.



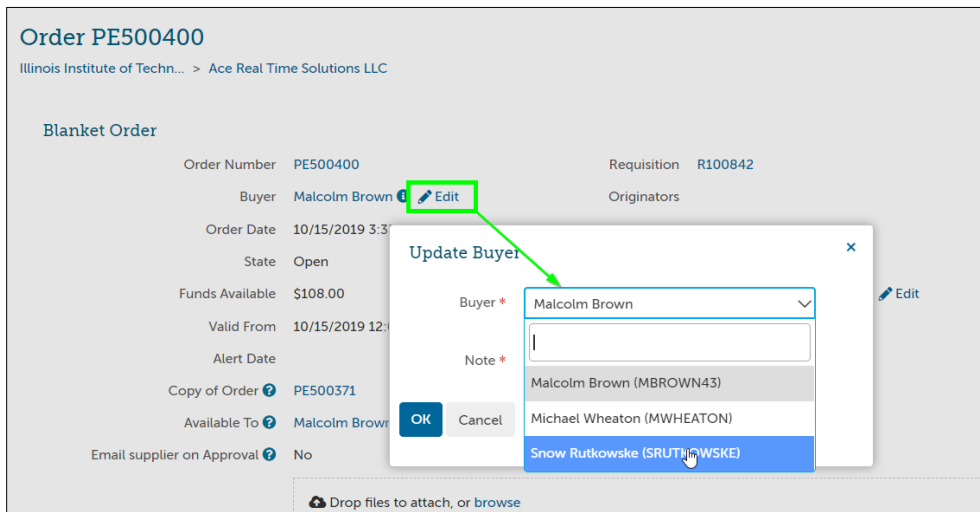
Edit Access: Add or remove members to the Blanket Order. Members in the *Available To* section will be able to create release orders or approve invoices against the Blanket Order.

Edit Buyer: The Buyer on blanket orders in Unimarket can be edited from the original buyer for the instances when the original buyer has left the organization or has moved into a different department and the ownership of the blanket order needs to be taken over by another user. The creator of the blanket order or a community administrator can Edit Buyer on an order.

- Select View Orders from the Orders menu.
- Locate the order using the search filters at the top of the page. For more search filters just click More Options to the right of the search boxes.
- Open the order by clicking on the order number and select Edit next to the current buyer name.
- A popup will appear, allowing you to select a new buyer from a drop-down list. Once you select the new buyer you will need to enter a note and select OK to finalize the update.

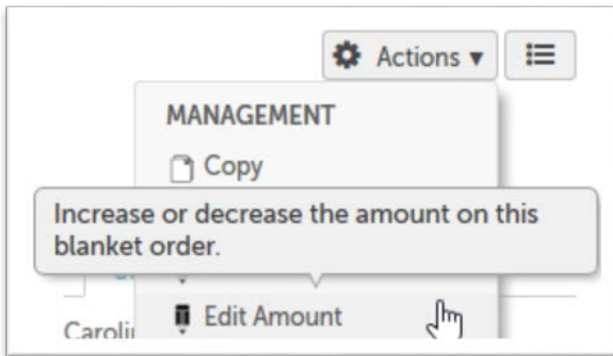
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The screenshot shows the 'Blanket Order PE500400' page for Illinois Institute of Technology. The order details include Order Number PE500400, Buyer Malcolm Brown, Order Date 10/15/2019 3:30, State Open, Funds Available \$108.00, Valid From 10/15/2019 12:00, Alert Date, Copy of Order PE500371, Available To Malcolm Brown, and Email supplier on Approval No. A green box highlights the 'Edit' button next to the Buyer name. An 'Update Buyer' modal is open, showing a dropdown menu with 'Malcolm Brown' selected. Other options in the dropdown include 'Malcolm Brown (MBROWN43)', 'Michael Wheaton (MWHEATON)', and 'Snow Rutkowske (SRUTKOWSKE)'. The modal also has a 'Note' field, 'OK', and 'Cancel' buttons.

Edit Blanket Order Amount: The ability to increase or decrease a blanket order amount is available to the Blanket Order Creator under the Actions menu. The edited Blanket Order will create a new Blanket Order number and all versions of the order are linked, so suppliers can still invoice the original order number and users can see the history by using the Changed By and Change Of order number links.



When increasing the blanket order amount, the user will be asked to provide the “New Amount”. This New Amount is the amount of the blanket order including the existing draws from the initial amount. If the 1st blanket order is created for \$100 and \$50 has been drawn from the amount, and you want to add another \$100 to the blanker order, you would want to enter a New Amount of \$200. The Funds Available will be \$150 once the increase is changed. A new Blanket Requisition will be created for approval routing. Users can include a justification for the approval of the increased encumbrance.

NOTE: When an increase to a blanket order is done, the full amount of the new blanket order will be considered in routing the pending requisition through the approval process.

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Edit Amount

Edit Type
Increase Amount

Existing Amount
\$1,000.00

New Amount
\$ 2,000.00

Existing Alert Amount

New Alert Amount

Existing Account Code
1-100000-2013-7151-2100- 100.00%


Edit Account Code

Organization Unit
6205 Procurement Services

This is the organization unit you are making the purchase for. It is used to group transactions by organization unit.

Decreasing a blanket order will warn users of any existing release orders and invoices allocated to the blanket. If you would like to close out your blanket, you can set the new amount to \$0 or to the amount that has already been drawn out of the blanket to set the remaining available balance to \$0.

Edit Amount

 The amount cannot be lower than the amount \$50.00 already allocated on the blanket order.

Edit Type
Decrease Amount

Existing Amount
\$1,000.00

New Amount
\$ 500.00

Existing Alert Amount

New Alert Amount

Existing Account Code
1-100000-2013-7151-2100- 100.00%

Edit Dates: Modify the Valid To Date on a Blanket Order. The ability to edit the dates on a blanket order is available to the Blanket Order Creator under the Actions menu. When selected pop-up window will appear allowing the owner to select a new Valid To date for the Blanket Order.

NOTE: Users cannot extend a Blanket Order once it has expired. This can only be done while the order is still valid. Copying the expired Blanket Order is the alternative solution after the Blanket Order has expired.

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Copy: This will allow users to Copy the Blanket Order. This is useful when the user wants to create a similar Blanket Order or replace the current Blanket Order because it is ending and needs more time and funds.

When Copying an existing Blanket Order, the Valid To and Valid from date range will need to be defined as those dates are not copied into the new blanket order.

Drawing down from a Blanket Order

An active Blanket Order holds funds that have already been approved and encumbered. The act of spending the encumbered money on that Blanket Order is referred to as “drawing down” from the blanket order.

Users can draw down from the Blanket Order in two ways:

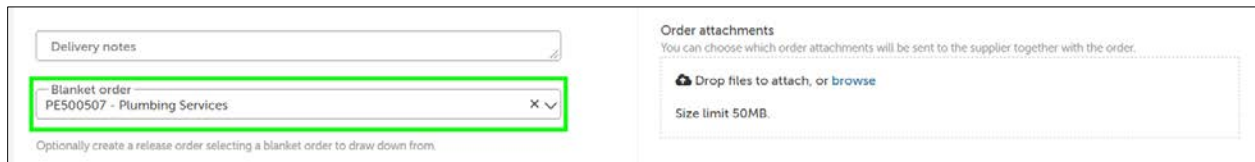
- **Release Orders (Preferred Method):** Release orders are purchase orders issued against an approved Blanket Order at the time the need for the purchase of commodities or services is identified. A user can create a release order against a Blanket Order by selecting the blanket order number during the checkout process. When selecting the blanket order, the requisition will not route for approval because the Blanket Order funds have already been approved.
- **Blanket Order Invoice:** When an invoice comes in directly against a Blanket Order, the user(s) with access to the blanket order is prompted to approve the invoice. When the approval action takes place, the system will create a retroactive release order. Due to the nature of a Blanket Order being pre-approved funds, the release order will not have to route for approval and the retroactive order will not be sent to the supplier. The only action required is for the invoice to be approved by a user with authority on the Blanket Order.

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Drawing Down with a Release Order

To draw down from the Blanket Order, the user must populate a shopping cart and initiate the checkout process. On the checkout page, the user selects the Blanket Order from the dropdown menu in the designated field. Once the information is completed, the user must click on the checkout button to finalize the issuance of the Release Order. The value of the resulting Release Order will be subtracted from the Blanket Order total. Release Orders are invoiced directly using the same process as a standard Purchase Order.



Delivery notes

Blanket order
PE500507 - Plumbing Services

Optionally create a release order selecting a blanket order to draw down from.

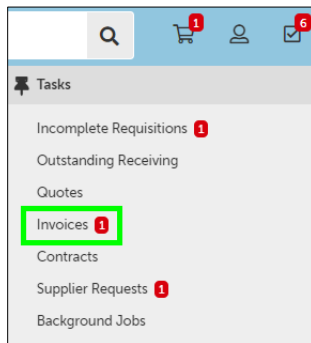
Order attachments
You can choose which order attachments will be sent to the supplier together with the order.

Drop files to attach, or browse

Size limit 50MB.

Approving an Invoice against a Blanket Order

Authorized users on the Blanket Order will be alerted by email when an invoice is entered against a Blanket Order available to them. They will be prompted to approve the invoice, creating a retrofit release order that does not get sent to the supplier. To do this, find **Invoices** from the **Task Menu** and choose **Accept /Reject**.



Buyer	Type	Blanket Order	Net Amount	
	Blanket	PE500507	\$50.00	✓ Accept

The Accept button will open a new window to show you the items on the invoice with the blanket order details for your review before approving or declining the invoice. Once the invoice is approved, a retrofit release order will be generated to draw down the funds from the blanket order and the invoice will be issued against the release order. If Declined, a notification will be sent to the supplier and creator of the invoice to alert them that the invoice was declined. It is recommended to enter a reason for declining an invoice.

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Invoice 8643546 for Blanket Order PE5...

Order Number: PE500507
 Order Name: Plumbing Services
 Order Description: testing
 Invoice Number: 8643546

Show lines with errors only

Line	Code	Name	Quantity	Unit Price	Subtotal	Invoice Tax
1		Plumbing Service	1	\$50.00 / Each	\$50.00	

Account Code: 1-100000-2015-7151-2100-
 Order Tax: \$0.00

Total	\$50.00	
Shipping	\$0.00	\$0.00
Shipping Order Tax	\$0.00	

Reason:

[Accept](#) [Reject](#) [Cancel](#)

Viewing Blanket Invoices and Release Orders

The invoices and release orders that have drawn down funds from a Blanket Order can be seen on the Release Order page for the Blanket Order. This will also show users the remaining amount and any other details of the order.

Order PE500507 [Invoice Order](#) ... ☰

Illinois Institute of Techn... > 2x4 Inc

Blanket Order

Order Number: PE500507	Requisition	Supplier: Attn: Snow Rutkowske
Buyer: Snow Rutkowske Edit	Originators	Bill To: Illinois Institute of Technology [PH-11]
Order Date: 1/6/2020 11:39 AM	Created Date: 1/6/2020 11:39 AM	Ship To: 10 W 33rd St
State: Open	Documents: Purchase Order	Chicago, IL 60616
Funds Available: \$950.00	Organization Unit: 6205 Procurement Services Edit	United States
Valid From: 6/18/2019 12:00 AM	Valid To: 5/31/2020 11:59 PM	312-5673677
Alert Date	Alert Amount	srukowske@iit.edu
Change of Order: PE100292		
Available To: Adrienne Wassell, Malcolm Brown, Snow Rutkowske		
Email supplier on Approval: No		

Attachments: [Drop files to attach, or browse](#)
 Size limit 50MB.

[Details](#) [Release Orders](#) [Invoices](#)

Order	Date	State	Subtotal	Shipping	Total
PE100293	6/18/2019 12:00 PM	Closed	\$50.00	\$0.00	\$50.00