



To: Applicable Vendors

From: Jacob Brown, Purchasing Department, Collins Machine Works

Subj: Blanket Order Procedure and Policy

All Concerned,

In some cases Collins Machine Works (CMW) may issue blanket orders in order to better organize and track material spending, requirements, and assist in the processing of invoices. Being in receipt of one of these blanket orders requires the awarded vendor to follow certain procedures and policies. This document will assist the vendor in fulfilling the requirements of their blanket order.

Blanket order general requirements:

1. Blanket orders are only billable during the time period indicated on said order. Every calendar year a new blanket order number will be issued. Note that established set pricing period may exceed one year, in which case the same pricing will carry over to the new year's blanket order.
2. Blanket orders that are not tied to contracts are considered non-binding, and CMW reserves the right to dissolve the blanket order at any time, for any reason.
3. Periodic billing tied to established contracts do not require a release number on a blanket order.
4. Blanket orders must be for MRO or overhead expense items only. Project charges will never be issued to a blanket order.
5. Items not included on the initial blanket order agreement must never be charged to the blanket order without prior authorization from the purchasing department.

In addition there are two kinds of blanket orders, the Release-Restricted Blanket Order and the Contract Obligated Blanket Order.

Release-Restricted Blanket Order:

The Release-restricted Blanket order (RRBO) is a blanket order issued for goods and services in which a release number is required prior to filling an order under that blanket order.

Contract Obligated Blanket Order:

The Contract Obligated Blanket Order (COBO) is a purchase order issued in response to a signed contract in which the billing schedule and payment terms are set. A COBO does not require releases.

Best Regards,
Jacob Brown
Purchasing Department
Collins Machine Works