

**COLLEGE OF SOUTHERN NEVADA  
FINANCE & FACILITIES DIVISION  
OPEN ENDED PURCHASE ORDER POLICIES**

**1. PURPOSE**


Open ended purchase orders are used to encumber funds for multiple expenses for merchandise or services by a department over an extended period of time from a single vendor (i.e. uniform laundry, auto parts, welding gasses and supplies, radio/newspaper advertising, etc.). Such orders are normally placed for consumable products over one semester or one fiscal year in order to provide for the needs of various instructional and/or support departments and plant operations. Open Ended Purchase Orders are not to be created in order to circumvent procurement policies.

**2. POLICY**

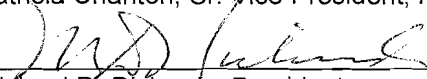
- A. New vendors must complete a vendor application, W-9 and Conflict of Interest Statement prior to an Open Ended Purchase Order being issued.
- B. A properly completed Purchase Request (RX) must be used to generate an Open Ended Purchase Order.
- C. The RX must designate who is authorized to make purchases against the Open Ended Purchase Order.
- D. No single purchase or project on an Open Ended Purchase Order can exceed a total cost of \$50,000.00.
- E. Open Ended Purchase orders must have an original signature of the individual who is authorized to expend funds from the account/accounts listed on the Open Ended Purchase order.
- F. A request for increase of an Open Ended Purchase order must originate from the individual with the appropriate level of signature authority as per the Signature Authority table in Advantage (SIGA).
- G. Open Ended Purchase Orders are not valid for purchases after the fiscal year end (June 30, 20xx). Open Ended Purchase Orders will be closed when the final invoice for the fiscal year is received, when the completion date has expired or when the dollar amount has been fully expended, whichever happens first.  
  
Departments are responsible for working with Purchasing and the vendors to ensure that any purchases on Open Ended Purchase Orders made in June can be received and that the invoice is approved and submitted by July 15<sup>th</sup>. Any questions or issues must be discussed with Purchasing.
- H. Open Ended Purchase Orders on non-state funds, with the exception of grant funds with a June 30<sup>th</sup> year end date, can be extended past the end of the year in special cases as determined by the Director of Purchasing. The Director of Purchasing will require a written request by the department explaining the necessity of keeping the Purchase Order open. Under no circumstances will the Purchase Order remain open past August 31<sup>st</sup>.

- I. If the Open Ended Purchase Order is for payment to an individual for services provided, an Independent Contractors Agreement must be attached to the purchase order. Please reference the Independent Contractor Agreement Policy.
- J. An Open Ended Purchase Order cannot be used for Hosting expense.
- K. Any grant funded purchase or contract over \$25,000 must ensure that the vendor is not on the Federal Excluded Parties List System.
- L. Certain items require commodity approval. Please reference the Commodity Approval Policy.

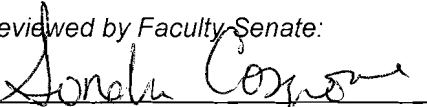
3. **APPROVAL**

  
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 Patricia Charlton, Sr. Vice President, Finance & Facilities

11/18/08  
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 Date

  
 \_\_\_\_\_  
 Michael D. Richards, President

11/24/08  
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 Date

Reviewed by Faculty Senate:  
  
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 Sondra Cosgrove, Faculty Senate Chair

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 Date