DNE FAQ:

Why is a *Do Not Exceed* needed on book orders?

It is for the benefit of our students – money encumbered is not available for other purchases for students. A vendor has 30 days to fill an order and during that time funds are encumbered and therefore; untouchable until an invoice is paid.

Ex: An order is placed for $3,000.00 with no DNE

1. The vendor waits the entire 30 day period and then ships what is filled.
2. There is a period of 7-10 days for shipping.
3. Additional time for the Accounting Dept. to send the invoice to Processing.
4. Processing checks off received items and sends invoice back to Accounting.
5. Accounting makes one check run a week.
6. PO is closed and the unspent money is unencumbered and is returned to account.

$3,000.00 is tied up for 1-2 months, while no further purchases may be made with these funds.

By using a DNE, the vendor is provided with alternatives, maximizing the odds that invoices will be submitted and paid in a timely manner, allowing unused funds to be available when needed. Suggested DNE is 25% less than the order total. Ex: $1,000.00 list would have a DNE of $750.00. Exceptions: Bluebonnet, Battle of the Books, Professional, Audiovisual, or very small orders ($250 or less) may be submitted for the actual purchase price.

NEVER make the DNE for more than the order total. District policy does not allow encumbrances to exceed the purchase price of the order. Ex: Order is for $999.50 – DO NOT put a DNE of $1,000.00.

Funds must be spent in a timely manner. Funds not spent by the end of the fiscal year are problematic. Processing and Accounting are adversely affected, but the main losers are our students who will not benefit from the funds collected to support them.

Please contact Faye Hagerty at 407-0001 if you have any questions or need more information.

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