How Do I Buy or Handle…

Order Splitting

Order Splitting Defined:

The placement of multiple orders within other than a reasonable time period to one or more vendors for the same, like or related goods or services to avoid using the appropriate method of procurement or to remain within delegated purchasing authority.

Order Splitting Prohibition:

- Order splitting is a highly inefficient practice which results in higher administrative cost to Virginia Tech.
- Order splitting is prohibited.
- Requirements should be combined when practical to obtain quantity discounts and other administrative efficiencies.
- Term contracts (annual or multi-year) should be considered where the anticipated cumulative annual costs for goods or services are over $100,000 and a fixed price type contract or a unit priced requirements type contract can be awarded. Sometimes, even though the annual amount is less than $100,000, it may be advantageous to enter into a term contract and this should also be considered.
- Waste and Abuse Warning Symptom example: Order splitting to avoid competition ($17,000 in repetitive supply needs purchased in under $10,000 increments to avoid competition as required by policy).

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