Using Standard Freight Terms

OMB has set up standard freight terms for the following:

**FOB DEST FREIGHT PREPAID** = Freight charges paid by seller – title passes to buyer at destination. Seller – pays freight charges; Seller – bears freight charges; Seller – owns goods in transit; Seller – files claim (if any).

Any buyer can add these Standard Comments to their PO header by following these steps:

1. Click on the ‘Add Ship To Comments’ link

2. Click on ‘Copy Standard Comments’

3. On the Standard Comments page, you need to select a ‘Comment Type’ and a ‘Comment ID.’ Although you will see more than one option to select from when you click on the magnifying glass, only one item in each field works.
Select the fields circled below to choose the standard freight comments as recommended by the State Procurement Office. Then click “OK.”

4. Before the Buyer can click “OK” on this screen, he or she must select the correct Ship To location in this field.

5. Be sure to check these two boxes, especially ‘Send to Vendor.’ Without that, the comments will not print on the dispatched PO.

NOW FOR THE REALLY GOOD NEWS: If your agency wants most of your purchase orders to have these standard freight terms, please notify Vendor Registry and we will set them as a default for your business unit. Every PO will then fill in with them automatically. Only one set of standard comments is allowed per agency, however.
6. Those steps set up the standard freight terms as Ship To Comments, but there is another step to make sure that the terms print on the purchase order. This screen is often overlooked, but it is still mandatory even if Vendor Registry sets up your business unit to have these comments added automatically.

On the Dispatch Purchase Orders screen, be sure to check the box next to “Print BU Comments”:

IF YOUR AGENCY ELECTED TO HAVE THESE FREIGHT TERMS ENTER AUTOMATICALLY ON EVERY PO, all you have to do is remember to uncheck this box on a purchase order that you do not want to have those freight terms listed.

If these six steps are followed, you should receive a purchase order that shows these standard freight terms like the PO displayed here:

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Office of Management and Bdgt
State of North Dakota
Bismarck ND 58505
United States

Vendor: 0000066942
B&B MOBILE HOME TRANSPORT
10852 40TH ST SW
DICKINSON ND 58601

Ship To:
Central Services Division-Admin
14th Floor Capital Tower
600 E Boulevard Ave Dept 018
Bismarck ND 58505-0001
United States

Bill To:
Office of Management & Budget
600 E Boulevard Ave Dept 110
Bismarck ND 58505-0400
United States

Tax Exempt?: Y Tax Exempt ID: E-2001

Line-Sch Item/Description MTG ID Replenishment Option: Standard
1-1 FOB DEST FRT PREPAID 1.00EA

Mfg ID
Quantity UOM PO Price Extended Amt Due Date
1-1 1.00EA 250.00 250.00 02/04/2010

Item Total

Total PO Amount

250.00

FOB DEST FRT PREPAID - Freight charges paid by seller - title passes to buyer at destination. Seller pays freight charges. Seller bears freight charges. Seller owns goods in transit; Seller files claim (if any)