

Blanket Purchase Orders

Policy 509.14

1 Introduction

2 Scope

3 Definitions

3.1 Blanket Purchase Order

A blanket purchase order is one which has been issued to a vendor for a specific type of item for small purchases over a specified period of time.

4 Policy and Procedure Statements

4.1 Necessary Form

A department or office within the University having a recurring need for miscellaneous supplies of a minor nature which are not available under existing contracts or from the Central Warehouse may submit a procurement request to the Purchasing Office specifying the category of materials needed and the names of the individuals who would be authorized to place orders. If the request is approved, the Purchasing Office will solicit various sources in the area to obtain the most favorable discounts or net prices, and then issue a blanket purchase order to the supplier(s) containing the following information:

4.1.1 Information Specified

1. The period of time covered by the order, e.g., quarterly, semiannually, annually, etc.
2. The commodities covered, e.g., plumbing supplies, automotive parts, photographic supplies, etc.
3. The total dollar value which can be encumbered under the blanket order and the monetary limitation applicable to each individual transaction.
4. Data required on delivery tickets or invoices.
5. Invoicing and billing instructions.
6. A list of persons authorized to make purchases against the blanket purchase order.

4.1.2 Types of Items

4.1.2.1 Blanket purchase orders are issued for supply and service type items only. Each purchase of equipment must be requested on a procurement request as the need arises.

4.1.3 Approval and Justification

4.1.3.1 Requests for blanket purchase orders are approved by the Director of Purchasing. The procurement request should contain a description of the blanket order, stated in a manner similar to Purchasing, Policy 24 .

4.1.4 Sample Description

4.1.4.1 This is to establish a blanket order for furnishing miscellaneous (type of commodity, i.e. automotive parts) as authorized and called for by (name of authorized person) of the (requesting department name) during the fiscal year ending June 30, (year) in the amount of (\$).

4.1.5 Budgetary Action

4.1.5.1 When the purchase order is issued, the requesting department's budget will be encumbered in the amount of the estimated total cost as indicated on the procurement request. If a blanket order is canceled, the outstanding balance on the order will be liquidated, thus making the funds available for other purchases. Since the total estimated cost for the period covered is encumbered when the purchase order is written, only sufficient funds to cover the anticipated purchases should be requested on the procurement request.

4.2 Purchases Made on Blanket Orders

If service needs require having more than one supplier available to furnish similar items at the same price, business between them should be based on the availability at the time of the needed item from the suppliers' stock or ability to make prompt delivery.

Before purchasing items against a blanket purchase order, a check should be made to determine whether the items required may be obtained either from some University stock or under an established contract.

When a purchase is made against a blanket purchase order, the person making the purchase should ensure that the following information is included on the delivery ticket or invoice:

4.2.1 Invoice Information

1. Name of the supplier
2. Number of the blanket purchase order
3. Date of the call
4. Name of person calling or making the pickup
5. Itemized list of supplies furnished
6. Quantity, unit price(s) and extension(s)
7. Applicable discounts
8. Date of delivery or pickup

4.2.2 Billing Action

4.2.2.1 Receipt of the supplies must be acknowledged on the delivery ticket/invoice by a person authorized to sign for such purchases. Tickets should be forwarded to the appropriate officer for review and filing until the end of the supplier's billing period. At the end of the billing period, all tickets for that period should be forwarded to the Purchasing Office. Statements will be reconciled with delivery tickets/invoices prior to being processed for payment.

4.3 Procedure for Using Blanket Purchase Orders

4.3.1 Procedure References

4.3.1.1 Refer to Policy Statement 13, Blanket Purchase Orders, and Procedure Statement 1, Purchasing from Commercial Vendors.

4.3.2 Procedure Description

4.3.2.1 Blanket purchase orders may be used by a department or office within the University having a recurring need for miscellaneous supplies of a minor nature which are not available under existing contracts or from the Central Warehouse. Instead of calling for specific items, a blanket purchase order is issued to a vendor for a specific type of item, for purchasing over a specified period, and within a specified cost limitation. The Purchasing Office is responsible for soliciting prices, terms, etc., for blanket purchase orders.

4.3.3 Procedure Steps

4.3.3.1 Requesting a Blanket Purchase Order

4.3.3.2 When a department determines the need for a blanket purchase order, the request should be forwarded to the Purchasing Office in the following manner:

4.3.3.3 Prepare a procurement request as described by Procedure Statement 1, including the following additional information:

1. Period of time covered by the order, e.g., quarterly, semiannually, annually.
2. Category of materials needed, e.g., plumbing supplies, automotive parts, etc.
3. Total estimated cost for the period covered.
4. List of persons authorized to make purchases against the blanket purchase order.

4.3.3.4 This information may be stated in a manner similar to the following:

4.3.3.5 This is to establish a blanket order for furnishing miscellaneous (insert type of commodity, i.e. automotive parts) as authorized and called for by (name of authorized person) of the (requesting department name) during the fiscal year ending June 30, (year) in the amount of (\$).

4.3.3.6 The following individuals are authorized to make purchases against this blanket order: (List individuals' names)

4.3.3.7 Prepare a justification memorandum and forward it along with the procurement request to the Controller's Office and then to the Purchasing Office.

4.3.3.8 Making Purchases Against A Blanket Purchase Order

4.3.3.9 When items covered by a blanket purchase order are needed, the following procedures should be followed: Check to determine whether the required items may be obtained either from some University stock or under an established contract. An individual named on the blanket purchase order makes the purchase and obtains a delivery ticket or invoice with the following information:

Name of supplier.

Number of the blanket purchase order. Date of purchase.

Name of person receiving merchandise.

Itemized list of supplies furnished.

Quantity, unit price(s), and extension(s).

Applicable discounts.

Date of delivery or pickup.

1. Person authorized to make purchase must sign the delivery ticket.
2. Forward ticket to the appropriate office for review.
3. Office responsible for purchase promptly forwards all tickets to the Purchasing Office for payment.

5 Additional References

6 Authority

7 Contact Information

8 Original Effective Date

9 Revision Dates