



Board of County Commissioners
Office of Purchasing
Title: Blanket Purchase Orders

Effective Date: 7/9/02 Supersedes Date: 9/15/00

Procedure No: PP-080

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I. Purpose

Blanket Purchase Orders (BPO's) are used for ongoing expenses for the purchase of indeterminable miscellaneous items, materials, supplies, parts, etc., over a specific period of time (usually in the fiscal year). Items may be purchased as needed by the user department, against the blanket order number for the term of the BPO, or until the dollar amount is reached. The BPO generally establishes a maximum dollar limit, the period covered, and any pertinent terms and conditions. However, since the items to be purchased are unknown at the time of issuance of the BPO, no line item pricing is included. (BPO's that are not based on a contract or price agreement are limited to expenditures which are not projected to exceed a cumulative value of Fifty Thousand Dollars (\$50,000.) or greater over a three (3) year period.)

II. Procedure

A BPO is initiated by a regular Purchase Requisition, and is printed on regular purchase order forms, indicates that it is a BPO, and is consecutively numbered as with regular purchase orders, and shall contain the following information:

1. Vendor Name and address,
2. Description and types of items to be purchased (to the extent known).
3. The period of time the BPO will remain valid (usually through the end of the fiscal year, or through the term of a Term Contract).
4. The maximum dollar amount (not to exceed cap), which cannot be exceeded (unless increased by a change order). When it is apparent the cap will be insufficient, a change order may be requested by the using department to increase the cap.
Note: Review the Procurement Code and Amendments/Changes After Award Procedure PP-050 for further details.
5. Provision for cancellation of the order at any time.
6. Individual purchase limits (per item) shall be set on BPO's by the Office of Purchasing so as to avoid unauthorized expenditure of funds for capital equipment (see Limitations).
7. Name of department/division and any specific personnel authorized to utilize the BPO.
8. Should the user department/division wish to have the account number(s) printed on the purchase order, the number(s) should be entered as the last line of text while inputting the requisition.



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The above information shall be provided by the client department/division on their requisitions for BPO's.

9. The following typical verbiage is provided as a guideline and can be further customized with other features as listed above or special features as determined by the department/division:

This blanket order is for (goods and/or services – this area can be customized i.e., Auto Parts, HVAC parts and supplies, etc.) exclusively for the use of Escambia County (name of department/division) in its daily operations. The County shall be charged according to the applicable contract price schedule or a preferred status with the lowest prices usually extended to most favored customers.

A call number will be issued for releases against this blanket purchase order and the vendor will reference the P.O. # (contract # as applicable) and the call/release number on the delivery/pickup ticket, which details all items of that release and is signed by an authorized department representative; with a copy of that signed ticket sent with a detailed invoice to the Clerk's Office.

Department Representative Authorized:

To issue Call #s:

(LIST PERSONNEL)

Pick-up authority:

(LIST PERSONNEL)

After a BPO is issued, the using department/division is authorized to place orders, via telephone or in person, directly with the vendor, when needed. Example: A using department may wish to request a BPO to purchase miscellaneous hardware items from a hardware store for a one-year period with total expenditures not to exceed a specified dollar amount. The department/division shall be responsible for acknowledging receipt of goods, and thereby, approval of payment. To liquidate a BPO, indicate on the "Receiving" copy 'Final' and forward directly to the Clerk's Accounts Payable Section.

Partial payments are made as items are purchased against the BPO until the dollar amount encumbered for that BPO is reached. Departments/divisions will acknowledge, in a timely manner, the receipt of goods to indicate authority for the Clerk's Accounts Payable Section to pay invoices. The Accounts Payable Section will process invoices for received materials or services so that any discounts may be obtained. Departments/divisions shall monitor the status of the BPO for discounts taken and freight charges applied.

BPO's shall be monitored very closely by the user department as to expenditures, so as not to exceed encumbered amounts and as to time so that the BPO does not lapse before a new one, if needed, is issued, or it is extended via issuance of a change order.



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The Office of Purchasing and the Accounts Payable Section may monitor all or selected purchases to ensure adherence to County procedures. The Office of Purchasing may take appropriate action, as deemed necessary, should the using department not strictly adhere to County purchasing procedures.

EXAMPLES:

A BPO may be issued for \$5,000 to ABC Lumber, Inc., for miscellaneous building materials for a 1-year period from October 1 through September 30.

A BPO may be issued for \$1,500 to Joe's Film and Processing, Inc. for purchase of camera film and for processing of the resulting pictures and slides of a construction project for a 6 month period (the duration of the project).

LIMITATIONS:

BPO's exceeding \$50,000.00 shall be approved by the Board of County Commissioners, including contract releases from a Term Contract, or an approved Sole Source, which has been approved for Standardization.

Example: A BPO for \$10,000 may be approved by the Purchasing Manager for landscaping services to provide for services during the bid and award process and after an award if vendor fails to perform the contract.

BPO's may be issued for commodities and service. Such needs for BPO's should be discussed with the Purchasing Manager, prior to issuance, to ensure appropriate procurement steps are taken; appropriate terms and conditions, specifications, etc. as applicable are in place; and that appropriate documentation is on file (insurance certificates, etc.).