

## BUSINESS OFFICE PROCEDURES

### BLANKET PURCHASE ORDERS

**Section:** Purchasing

**Contact:** 383-1951 & 383-1932

**Purpose:** To provide a convenient method for ordering small and/or frequently needed supplies from local vendors. These "B" purchase order numbers are assigned annually to selected local vendors for products that are immediately or routinely required.

#### **BLANKET PURCHASE ORDERS**

Blanket purchase orders are "B" purchase orders that require a list of authorized signers as well as a "Not to Exceed" amount. A selected number of local vendors have each been assigned a "B" number which is valid for the fiscal year. The requisition is to be used for supplies or services and specified on the requisition.

#### **Audit Elements:**

1. Approved requisition complete with signatures and account codes.
2. Verify the existence of account codes and fund availability.
3. Verify that all items requested are in compliance with all health and safety codes and if necessary, all Material Safety Data Sheets are on file.
4. Insure that the best source is being used for the purchase.

#### **Requesting Department Responsibility:**

1. Prepare a purchase requisition complete with all required information, including signature and account codes. Note: more than one account code may be used as long as the breakdown of amounts to be charged to each account is clearly indicated.
2. A "not to exceed" dollar amount must be entered in the description section of the requisition. This will allow the purchase requisition to be processed in a timely manner. Upon receipt of the invoice, the actual costs will be encumbered against the appropriate account listed.
3. Once product has been purchased, forward the signed receipt, including account to be charged, to the Business Office.
4. Blanket purchase orders must have the appropriate approvals prior to their actual placement. **NO EXCEPTIONS!**

#### **Business Office Responsibility:**

1. Audit per the audit elements listed above.
2. Handle any discrepancies with the vendor and the requesting department.
3. Monitor the dollar limit on the blanket purchase order.
4. Confirm that receipts have been signed by an authorized individual and that appropriate accounts have been identified.
5. Review existing blanket purchase orders annually to determine whether a bid

is required, prior to the next fiscal year, based on current fiscal year expenditures. Edit blanket purchase order list as necessary for additions and/or deletions.

### **EQUIPMENT PURCHASES**

For equipment valued at \$500 or more, a requisition is needed to document the fixed asset inventory. Please process a purchase requisition in lieu of a Blanket so our asset processes can be maintained accurately.

#### **Audit Elements:**

1. Items valued at \$500 or more are purchased utilizing a purchase requisition.
2. Each bill/receipt is itemized, the account number is indicated, and payment is authorized by appropriate signature.

#### **Requesting Department Responsibility:**

1. Prepare requisition if item is valued at \$500 or more.
3. Itemize bills/receipts, indicating account number to be charged, and signed by authorized individual.

#### **Business Office Responsibility:**

1. Audit per the audit elements listed above.
2. Monitor the dollar limit on the open purchase order.
3. Review open purchase orders annually to determine whether a bid is required. Edit open/blanket purchase order list as necessary for additions and/or deletions.