

# ANTHONY INDEPENDENT SCHOOL DISTRICT

## DISTRICT ACCOUNTING BULLETIN #27: BLANKET PURCHASE ORDERS

### 27.1 BLANKET PURCHASE ORDERS

The goal of the Anthony Independent School District's [AISD] Purchasing Office is to comply with Federal, State and Local guidelines and policies and to provide effective and efficient procurement services to the schools and departments. One of the processes that can be used to ease the burden of processing a multitude of purchase orders from common/reoccurring purchases is the use of blanket purchase orders [BPO].

A BPO, as defined by the Texas Education Agency, is an arrangement under which a purchaser contracts with a vendor to provide the purchaser's requirements for an item or a service, on an as required and often or periodic basis. A properly prepared and executed BPO must include the following parameters: a set time frame, dollar limits, and defined goods/services.

#### GUIDELINES

The following guidelines should be adhered to when initiating a blanket purchase order:

1. The \$25,000 and \$10,000 Federal and State purchasing policies are in effect.
2. Purchases must be from vendors on the District's approved vendor list.
3. In all cases, the employee should utilize the District's cooperative purchasing arrangements in order to secure the best price. These cooperative partners include Region 19, TCPN, Buy Board, West Texas Food Cooperative, etc.
4. BPOs can be used in cases where the campus or department anticipates that the items purchased are required on a periodic or reoccurring basis and the goods purchased will be charged to the same account code,
5. The campus or department must limit the BPO to a specific time frame. [In all cases, BPOs must be closed by July 31' 20xx.] Furthermore, the BPO must include a dollar limit and the specific types of goods that can be purchased. [Accounts payable cannot pay for items purchased but not included in the BPO definitions.]
6. The Line item purchase orders must be used if multiple equal payments over a monthly or quarterly period.
7. Blanket purchase orders for supplies and materials should be limited to no more than \$1,000 and the time frame should not exceed three months or July 31' 20xx.
8. It is the school's or department's responsibilities to track the remaining balance on their respective BPOs. When a BPO reaches its dollar or time frame limit, the originator must request in writing that the BPO be closed. New BPOs can be prepared for those that have expired.
9. Payments will be withheld to the vendor for purchases that exceed the dollar limit of the blanket purchase order. In cases where the BPO limit has been exceeded, the buyer assumes responsibility for paying for the goods or services.
10. The Superintendent and Finance Director must approve all cases where a BPO is used to pay consultants or contracting services.
11. The Finance Director must approve all cases where a BPO exceeds \$1,000.00.
12. BPOs that reach the \$10,000 limit will be reported to the Board of Trustees.
13. Exceptions to the \$500 amount are:

**APPROVED BY:**

**AISD Leadership Team**

March 28, 2006