

NC STATE UNIVERSITY

College of Sciences

Blanket Purchase Orders & Standing Purchase Orders Comparison Chart with Instructions

DEFINITIONS

Blanket Purchase Order (BPO)	Standing Purchase Order (SPO)
A BPO is the preferred method for placing orders on an as-needed basis that allows for multiple delivery dates requiring multiple payments over a set period of time. The BPO can be for a list of items where no quantity is guaranteed to be purchased, and price protection is established per item.	An SPO is an auto-delivery order for a defined commodity or service (item and quantity) with a defined shipping schedule. After setting up the auto-delivery requirements, there is no calling, ordering, or follow-up to prompt action from the supplier.

CHARACTERISTICS

Blanket Purchase Order (BPO)	Standing Purchase Order (SPO)
BPOs are NOT to be used with MarketPlace suppliers	SPOs can be used with MarketPlace suppliers (Internal MP suppliers are processed and billed via IDT)
The goods or services are recurring purchases on an as-needed basis	Specified quantities of specific items/services are delivered/rendered on a regular pre-determined schedule
Orders placed may have variable dollar amounts and/or quantities	Order dollar amount for each scheduled delivery is the same
A BPO is created by initiating a requisition	An SPO is created by initiating a requisition
The maximum BPO amount may need to be adjusted over time (see Change Orders section)	The total SPO amount and contract end date may need to be extended
The BPO has specific contract start and end dates	The SPO has specific contract start and end dates
An online receiver is NOT required	An online receiver is NOT required
BPOs can be used for the acquisition of commodities (goods) or services	SPOs can be used for the acquisition of commodities (goods) or services

BENEFITS

Blanket Purchase Order (BPO)	Standing Purchase Order (SPO)
<ul style="list-style-type: none"> ● Provides opportunities to negotiate cost savings through price protection ● Prevents NCSU from having to hold large amounts of inventory ● Reduces administrative costs by eliminating repetitive acquisition costs ● Streamlines ordering procedures ● Reduces ordering and delivery lead times ● Terms and conditions have been reviewed and negotiated in advance ● Amount is encumbered in full to ensure funding source reflects expenditure commitments ● Provides assurance of supply (for SPOs only) 	

SUBMITTING A REQUISITION
 With a start date of July 1, requisition must be submitted by May 1. For other start dates, allow one month for processing.

[How to Create a Non-MarketPlace Requisition](#)

MyPack Portal > Financial Systems > MarketPlace > Create Requisition > Purchase Requisition

Supplier ID

Use Best Source Vendor

[Copy From](#)

Confirming Order?

Total Amount 0.0000

Description	Quantity [±]	UOM	Price	Category	
1 <input style="width: 90%;" type="text"/>	<input style="width: 50%;" type="text"/>	EA <input style="width: 20px;" type="text"/>	<input style="width: 50%;" type="text"/>	<input style="width: 50%;" type="text"/>	<input type="button" value="Q"/> <input type="button" value="+"/> <input type="button" value="-"/>

- Supplier ID (Sole Source)** – Upload justification memo, supplier quote, and all supporting documents to requisition
- Best Source Vendor (Competitive Bidding)** – Include list of items and any quotes obtained
- Confirming Order** – Should only occur under **emergency** circumstances related to health, safety, or continuity of operations. Detailed justification required.

Description	
Blanket Purchase Order (BPO)	Standing Purchase Order (SPO)
BPO to purchase xxx (miscellaneous supplies or services) as needed	SPO to purchase xxx (item description) delivered every yyy (time interval)

Quantity	
Blanket Purchase Order (BPO)	Standing Purchase Order (SPO)
Always 1 (one)	Exact quantity expected to ship during the contract time period (not per interval)

- **UOM** (Unit of Measure) – Leave default of **EA** (each)
- **Price** – Estimated amount for contract period (will be encumbered)
- **Category** – Select from list
- **Add to Cart**

Adjust Distributions	
Blanket Purchase Order (BPO)	Standing Purchase Order (SPO)
To distribute every invoice in the same ratio every time, use one line with multiple distributions. (preferred method)	Not applicable, as SPOs will have the same distribution every time.
To have the ability to customize the distribution on each invoice, use separate lines for each project. Split funding will require a request to Purchasing to change the 'Bill To' so the invoice is delivered to the Department. Include this request in the Comments section of the requisition, as well.	Not applicable, as SPOs will have the same distribution every time.

Comments

- Enter contract begin and end date
- Note if requisition is to be set up as a BPO or SPO
- List all points of contact who will be placing orders

Attachments

- Justification memo
- Supplier quote containing list of items
- All other supporting documents to requisition

Save & Submit

MULTI-YEAR PURCHASE ORDERS

Quotes may reference multiple years and requisitions can cross fiscal years.

Blanket Purchase Order (BPO)	Standing Purchase Order (SPO)
<p>Services This is useful for maintenance agreements where the dollar amount is known for each fiscal year and the term of the agreement is set.</p>	<p>Services This is useful for maintenance agreements where the dollar amount is known for each fiscal year and the term of the agreement is set.</p>
<p>Goods This is useful for few, clearly defined items, that will not change (for example, strain of mice) where requirements cross fiscal years.</p>	<p>Goods This is useful for known items with known quantities and a set delivery schedule where requirements cross fiscal years.</p>

MULTIPLE PURCHASE ORDERS FROM SAME QUOTE

- Multiple requisitions may be entered to request multiple purchase orders be created using the same quote. There is no need to obtain separate quotes for each request.
- This may be useful when buying the same items, but frequently charged to different fund types.

ONCE PURCHASE ORDER IS ISSUED

- Departments need to know their purchase order balance prior to placing orders (**for BPOs only**).
- Check PO balance through PO Activity Summary:
MyPack Portal > Financial Systems > Procurement > Purchase Orders > PO Activity Summary
- Always use the PO# when placing the order with the supplier.

INVOICES

For BPOs and SPOs where the invoice charges are distributed in the same ratio every time

The supplier will mail the invoices to Accounts Payable (A/P) per the 'Bill To' information on the purchase order.

For purchase orders where the invoice is sent to the Department

- Ensure the PO# is correct.
- Distribute each line for split funding and note the line numbers the invoice should be paid from.
- Upload invoice using the [PO Invoice Processing Guide](#). Using the PO Invoice Upload portal will ensure the payment processing is handled by AP and encumbrance is reduced automatically. No vouchers or PCard payments allowed. All payments are through the PO Invoice Upload portal.
- If more than five days during non-peak periods or seven days during peak periods have passed and you have not received a payment status notification, please contact AP immediately.
- Maintain file for outstanding invoices that have been sent to AP, but have not yet posted to WRS, pending verification.
- On a monthly basis, verify expenditures have been posted to WRS confirming invoices have been paid.

CHANGE REQUESTS

Changes to POs that have payments against them need to be submitted through the PO Change Request portal.

Reasons for Change Requests

- Change Funds (adding or deducting from total purchase amount or to extend the service period)
- Change Project (only if a payment has been processed against the PO)
- Change Account (only if a payment has been processed against the PO)
- Add Lines
- Close Lines
- Close Purchase Order – ensure all invoices have been paid

Distribution or Fund Source Changes

- If a PO has not yet been issued, email the purchasing agent who is handling the PO to request a change of funding
- If a PO has been sent to the supplier and no payments have been made on the order, changes can be made through PO Maintain Distributions:

MyPack Portal > Financial Systems > Procurement > POs > PO Maintain Distributions