ABOUT PURCHASE ORDER REQUISITIONS AND PURCHASE ORDERS

WHAT’S THE DIFFERENCE BETWEEN A PURCHASE ORDER REQUISITION AND A PURCHASE ORDER?

A purchase order requisition is an internal form that our vendors never see. It is used to request a purchase order that is processed by the Purchasing Department and includes all signatures and approvals necessary to produce a purchase order.

A purchase order is a legally binding agreement between the College and a vendor that the vendor will supply an item or service as detailed at a specified price and the College will guarantee that funds have been allocated to cover the cost of the purchase. Without a purchase order, there is no assurance of getting the item or service specified or getting it at the price specified. Without a purchase order, it is difficult or impossible to track purchases for future reference (warranty, benchmarking for future buys, and so on), and it is extremely difficult to expedite or track orders. Without a purchase order, there is no guarantee that appropriate funding is available.

WHAT IS A BLANKET PURCHASE ORDER?

A blanket purchase order is a purchase order the customer makes with its supplier which contains multiple delivery dates over a period of time, often negotiated to take advantage of predetermined pricing. It is normally used when there is a recurring need for expendable goods and/or services.

Having a blanket order prevents the customer from having to hold greater than necessary amounts of stock and avoids the administrative expense of processing frequent purchase orders, while favoring discount pricing through volume commitments or price breaks.