Blanket Purchase Orders are used to manage contracts between you and your vendor in which you are committed to purchase a large amount of goods from the vendor over a specific period. The purpose of a blanket purchase order is to allow you to set up orders to be received from your vendor in several shipments. In addition, blanket purchase orders allow you to maintain your commitments to your vendors and track purchases against those commitments.

## Assumptions/System setup considerations

- A procedure intended to reduce spoiling and overstocking while facilitating inventory control.
- When a need for a purchase arises, the buyer will see whether there are any unfulfilled blanket orders before releasing the necessary amount from the blanket order along with the anticipated date of delivery.
- Once a quantity is released from the blanket purchase order, a corresponding purchase order will be created to represent this release.
- The vendor will be notified of the shipment request and be given the purchase order number assigned when the purchase order was created.

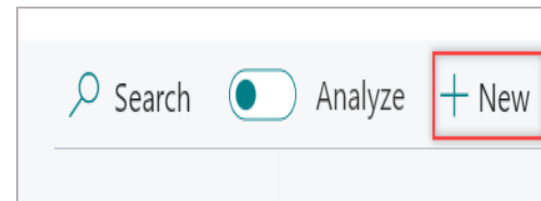## Create a Blanket Purchase Order

1. Select the Search icon [🔍] , enter **Blanket Purchase Orders**, and then choose the related link.
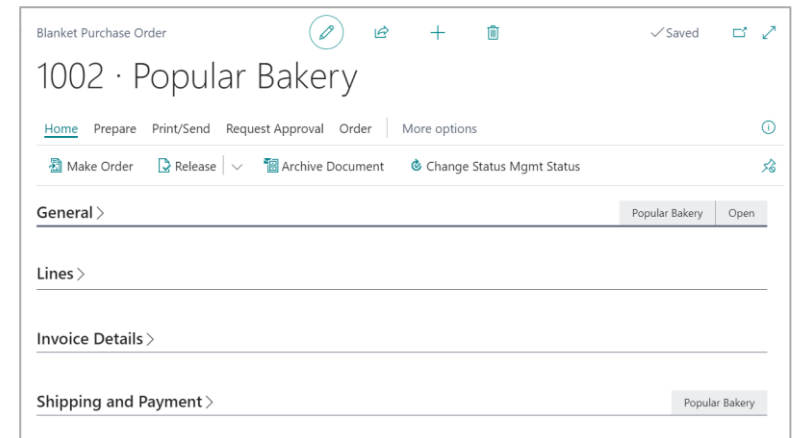

The **Blanket Purchase Orders** list page opens.
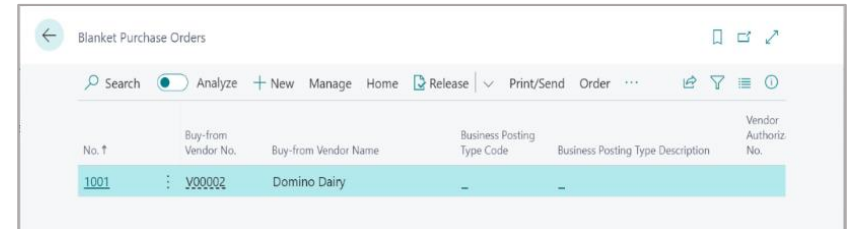
2. On the action bar, select **New**.

The **Blanket Purchase Order** card page opens.

3. On the **General** FastTab, enter/select the following fields:
   - **Vendor No.** – Click the dropdown to select the **Buy-From Vendor No.** from the Vendor list.
   - **Buy-from (Address, Contact, Email, and Phone)** – These fields are automatically updated when the Buy-from Vendor No. is inserted.
   - **Document Date** – Check if the date of the order is correct. The field is automatically updated with the current date of entry.
   - **Vendor Shipment No.** – Enter the vendor's shipment number if the release quantity is for a shipment that has already been shipped. This reference will flow through to the associated released Purchase Order.
   - **Order Address Code** – If a purchase order is to be shipped from a particular vendor supply location, select the ship-from code (this is set up in the **Vendor Card** page).
   - **Vendor Order No.** – Enter the number that the vendor uses for the order on this field (i.e., the vendor order confirmation number).
   - **Purchaser Code** – Select the purchaser code (person responsible for this order) in this field.
   - **Order Address Code –** Select the address code for the vendor. This will populate the address fields.
   - **Status** – Indicates whether the document is open or released to the next stage of processing.

4. On the **Invoice Details** FastTab, enter/select the following fields:
   - **Location Code** – Select the location from which the items will be received.
   - **Shipment Method Code** – Select the agreed shipment method from the list.

5. On the **Shipping and Payment** FastTab**,** the fields are automatically populated when the vendor is selected. Update **Ship to Name**, **Ship to Address**, **Ship to Contact**, and **Pay-to** as required.

On the blanket order, each separate purchase can be set up as an order line, which can then be converted into a purchase order at the time of ordering. You can also opt. to have one line for one item with the total quantity and release it partially throughout a period. (four lines with quantity set to 100 for each line or one line with quantity set to 400).

6. On the **Lines** FastTab, enter/select the following fields:
   - **Type** – Click the dropdown and select the purchase line type.
   - **No.** – Enter the item number or applicable number depending on the type selected.

- **Description** – If desired, overwrite this field to have a description unique to this purchase instance. The value will default from Cross-Reference or Item record data.
- **Unit of Measure Code** – Change if desired. Will default from the Cross-Reference data (if using) or from the Item card.
- **Location** – Contains the code for the location where the items on the line will be received into. You will need to update this field if the order is not being sent to the same location as defaulted from the header.
- **Bin Code** – Enter the receiving bin code. (if applicable).
- **Item-Reference No**. – If using item-references to control which items are associated with this vendor, and the vendor's item numbers, then use the **Cross-Reference No.** field to select the items being purchased. Otherwise, use the **No.** field to look up the standard inventory item numbers.
- **Quantity** – Contains the total quantity to be purchased.
- **Direct Unit Cost Excl. Tax** – The value should default from the Purchase Prices setup. Otherwise, it will revert to the Last Direct Cost from the Item card or be blank (enter the unit cost excluding taxes in this field).
- **Qty to Receive** – Enter in the quantity you want for the purchase order you will release.
- **Quantity Received** – Indicates how many units (pieces, for example) of the item ordered have been received. Each time the line receipt is posted, the program will update the quantity received.
- **Quantity Invoiced** – Indicates how much of the line has been invoiced. The field is automatically updated when an invoice (or order) is posted and when an order line associated with an already-posted receipt is invoiced.
- **Expected Receipt Date** – Enter the date you expect the line to be received (if the full line will be received at once).

> **Note:** When you enter line items, the quantity from the value you enter in the **Qty. to Release** field is automatically entered in the **Qty. to Receive** field. Remember to enter zero (0) in the lines that you do not want to purchase when releasing a purchase order.

When you create a purchase order from a blanket purchase order, the new purchase order will be based on the values present in the **Qty. to Release** field.

7. To release a blanket purchase order, on the action bar, select **Home** > **Release** > **Release**.

   This will prevent users from creating changes to the order without reopening it first.
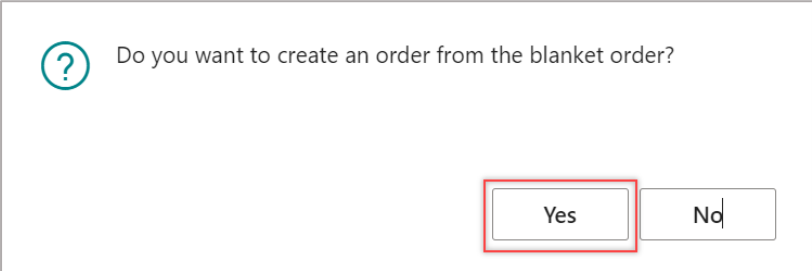
Issue a Purchase Order

You can create a Purchase Order from a Blanket Purchase Order, and it is possible to link a purchase line to a blanket order line. When the lines are linked, the price of the Blanket Purchase Order Line is transferred to the Purchase Order line. You can purchase not more than the quantity mentioned in the linked Blanket Purchase Order Line.
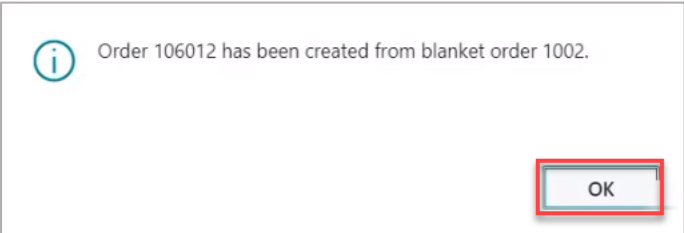
1. On the action bar, select **Home** > **Make Order**.

The system displays a dialog box.

> **Note:** You can open and use the blanket order,
> make purchase orders more than once, and alter the quantity
> to release each time.

2. Click **Yes**.
   An order is created from the blanket purchase order.

After the Purchase Order is created from the Blanket Purchase Order, the system updates the value on the **Qty. to Receive** and **Quantity Received** fields.