

# Blanket Purchase Agreements

A blanket purchase agreement (BPA) is a simplified acquisition method that government agencies use to fill anticipated repetitive needs for supplies or services. Essentially, BPAs are like “charge accounts” set up with trusted suppliers. Having a BPA with Waterlogic is a sound and valued proposition as Waterlogic is an international leader within the industry. As such, they are uniquely positioned to provide products and services to an entire agency, on a regional or national basis. Setting up Blanket Purchase Agreements represents a method of quickly and efficiently procuring the products and services offered by Waterlogic, with additional discount incentives.

## Key differences between BPAs and GSA schedules

BPAs are negotiated on an individual agency level, and generally only a small number of agency offices can place orders on them. GSA Schedules, on the other hand, are negotiated with GSA only, and, upon award, any federal agency office may purchase from them. Another key difference: BPA orders cannot exceed the simplified acquisition threshold of \$100,000, while there is no such cap on GSA Schedule orders.

One advantage of traditional BPAs over GSA Schedules is that a buyer can use them to acquire a full range of services under one BPA, rather than having to purchase through multiple GSA Schedule contracts.

## When BPAs may be used

When may federal agencies establish BPAs? The Federal Acquisition Regulation (FAR) states that BPAs are permitted when:

- There is a wide variety of items in a broad class of supplies or services that are generally purchased, but the exact items, quantities, and delivery requirements are not known in advance and may vary considerably.
- There is a need to provide commercial sources of supply for one or more offices or projects in a given area that do not have or need authority to purchase otherwise.
- The use of this procedure would avoid the writing of numerous purchase orders.
- There is no existing requirements contract for the same supply or service that the contracting activity is required to use.

If a federal contracting officer decides that issuing a BPA is a good idea, he is then supposed to do the following:

- Establish the parameters to limit purchases to individual items or commodity groups or classes, or permit the supplier to furnish unlimited supplies or services; and
- Consider suppliers whose past performance has shown them to be dependable, who offer quality supplies or services at consistently lower prices, and who have provided numerous purchases at or below the simplified acquisition threshold (\$100,000).

## Establishing BPAs

BPAs may be established with: (1) more than one supplier for supplies or services of the same type to provide maximum practicable competition; (2) a single firm from which numerous individual purchases at or below the simplified acquisition threshold will likely be made in a given period; or (3) GSA Federal Supply Schedule contractors

Buyers prepare BPAs without a purchase requisition and only after contacting suppliers to make the necessary arrangements for:

- Securing maximum discounts.
- Documenting individual purchase transactions.
- Periodic billings; and
- Incorporating other necessary details.

Once a BPA is in place, buyers must still seek competition for purchases exceeding \$2,500. Buyers can satisfy this requirement by contacting at least three vendors to obtain quotes.

## Ideal BPA Suppliers

Suppliers that are ideal for BPA purchasing are those that have:

- Dependable past performance,
- A history of quality services and supplies at lower prices, and
- Provided numerous purchases at or below the simplified acquisition threshold