

Managing Your Budget – Best Practices

- Ensure that your beginning budget is budgeted in accordance with your planned expenditures for the year. This should help to reduce the amount of budget transfers required.
- Issue blanket purchase orders based on your expenditure expectations:
 - Blanket POs should be issued with the one line description: “Blanket Orders for _____ not to exceed \$_____.”
 - Blanket POs should be issued for vendors with anticipated multiple, small dollar purchases throughout the year.
 - Blanket POs can also be issued for vendors that provide services (painting, manual labor, car repairs, etc.)
 - Blanket POs should be issued for a minimum of \$5,000 and a maximum of \$30,000.
 - The exception to the above would be blanket POs issued for fuel. There is no maximum amount associated with these blanket POs.
 - The dollar amount of the blanket PO should be based on prior experience and expectations for the current budget year.
 - Should you need to adjust the amount of the blanket PO, the Finance Department can facilitate that request
 - The blanket PO number must be noted on each invoice so that the encumbrance can be reduced with each payment.
 - One vendor could have both a blanket and item specific purchase order.
 - Only small, routine purchases should be applied against the blanket PO. Remember, expenses charged against the blanket PO will not be charged to a location.
- Monitor budgets and post transfers as needed
 - Transfers OUT of salary and benefit budget codes must first be approved by the Finance Department
 - Transfers between PRCs must first be approved by the Finance Department