



# The ABCs of BPAs and IDIQs



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## Overview

This document summarizes the key takeaways from the recent Unison Marketplace webinar—*The ABCs of BPAs and IDIQs*

## Defining BPAs

A Blanket Purchase Agreement (BPA) is an “agreement” between the government and a contractor and are sometimes referred to as “charge accounts” that can be put into place with a single source or, preferably, multiple sources. BPAs are typically used when the government anticipates requirements for supplies or services on a recurring basis.

### BPAs are useful to the government when:

- they anticipate requirements for a wide variety of items in a broad class of supplies or services,
- they do not know the exact items or quantities,
- and delivery requirements are not known ahead of time.

Since a BPA is not a contract, the government is neither financially nor contractually obligated to place Orders against an established BPA. The BPA contains pre-negotiated terms and conditions that will apply only if and when an Order (or “Call”) is placed against the BPA for supplies or services. An Order or Call placed against a BPA obligates funds and does form a contract.

## Defining IDIQs

Indefinite Delivery/Indefinite Quantity (IDIQ) is a type of contract between the government and a contractor where the government’s exact requirements for delivery and quantities are not yet known.

### The government uses IDIQs when:

- they have a specific requirement for supplies,
- do not yet know what quantities are needed,
- and/or they do not yet have a timeline defined.

However, since it is a contract, the government must state minimum and maximum ordering limitations and specify a fixed period in which orders may be placed with the vendor.

The minimum ordering limitation is the government’s guarantee it will purchase certain quantities of supplies or services within the fixed period. At the time of contract award, the government must at least obligate the funds for the stated minimum guaranteed amount, but may delay placing any orders under the new contract.

## Differences and Benefits

BPA and IDIQs are both considered simplified acquisition methods and are widely used throughout the federal government. The fact that one is an “agreement” and the other a “contract” is the foundational and significant difference between them. When used appropriately, both methods allow contracting offices to acquire repetitive government requirements in one of the most efficient and simplified manners available.

## Deciding Between a BPA or IDIQ

If it is determined a repetitive need exists for a wide variety of supplies or services, and the exact items, quantities, and delivery requirements are not known in advance or may greatly vary, the streamlined BPA method is likely to be the more appropriate acquisition solution.

### Benefits of using a BPA:

- No obligation to place any orders
- Requires no advance funds availability until Calls are placed
- FSS BPAs already include competitive contract pricing and contract terms and conditions
- Reduced procurement lead times
- Optional delegation of ordering authority to an office or individual that do not normally require contracting authority

One potential downside with BPAs is the SAT order limitation reduces flexibility to acquire large scale orders.

If it is determined the government’s requirement for supplies or services is well-known, other than knowing exact quantity or delivery needs, an IDIQ contract may be the best acquisition solution.

### Benefits of using an IDIQ:

- Streamlined ordering procedures
- Set prices
- Reduced lead time when ordering
- Fair opportunity under multiple award

A potential downfall of the IDIQ method is the potentially long procurement lead time to make the initial award. Although the fair opportunity under multiple award IDIQ contracts has significant benefits, it increases the lead time to award task or delivery orders. Overall, IDIQ procedures are more labor and resource intensive, which increases the administrative burden and cost.

## Accessing existing BPAs and IDIQs for your requirements

It is important to note that it is extremely important to first determine if there are any existing BPAs or IDIQs already established that can be utilized for the procurement you have. You will find these based on your own experience, working with your peers as well as the following resources:

- GSA Acquisition Gateway provides a list of government-wide available BPA programs
- The Solutions Finder within the Acquisition Gateway allows you to search and compete both BPA and GWACs
- Your internal agency acquisition site/portal can provide guidance on in-house programs and requirements you have for specific BPA and IDIQ utilization
- [Unison Marketplace](#) houses agency and team specific BPAs and IDIQs at the direction of each agency

## How Unison Marketplace can help

Unison Marketplace can provide a variety of ways to support you with your BPA and IDIQ solicitations.

- Access and advertise your agency's existing BPA or IDIQ programs to other 1102s
- Additional BPA or IDIQ programs may be onboarded at the discretion of an agency
- Contracting Officers or agency leadership may establish BPAs or IDIQs through initial competition
- Solicit subsequent Calls from established programs
- Full documentation on all actions taken within the Marketplace is provided in a PDF package for easy e-filing

# Resources

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## Marketplace

Unison Marketplace is an online acquisition marketplace that assists Buyers in purchasing the goods and services needed to fulfill their procurement strategies. Buyers on the Marketplace gain access to dedicated account teams to maximize success, compliant documentation on all actions, and a Marketplace research tool to aid in building solicitations.

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