



[Refer to City Council amendments approved on September 5, 2023, on page 2 \(next page\)](#)

MEMORANDUM

TO: Mayor and City Council Members

FROM: J. Scott Sellers, City Manager

DATE: October 17, 2016

SUBJECT: Changes in Administrative Policy for Bid and Purchase Order Requirements

In an effort to improve our purchasing procedures and to streamline the procurement process so that the delivery of goods and services is expedient and efficient, it became critical to make four changes to the City's administrative policy and procedures for purchasing and purchase orders.

The purpose of this memorandum is to inform you of the specific changes made in the City's administrative policy and procedures pertaining to bid requirements and the issuance of purchase orders. These changes do not in any manner affect the City's compliance with state's procurement requirements and/or those established by the City Council.

The four changes to the City's administrative policy and procedures for purchasing and purchase orders go into effect immediately and are as follows:

Bid Requirements:

Purchase categories 1 and 2 which required a minimum of three telephone or written quotations for purchases of goods and services estimated to total \$500 but less than \$1,500 per transaction have been eliminated and will not require any form of bid solicitation.

Purchase category 3 which required a minimum of three written quotations for purchases of goods and services estimated to total \$1,500 but less than \$15,000 per transaction has been modified to require written quotations when the cost is estimated to total \$3,000 but less than \$15,000 per transaction.

All other requirements and threshold amounts for bid, public notice, and City Council approval remain the same as before.

Purchase Orders:

The City's administrative policy and procedures for purchase orders required that all City departments process a purchase requisition and for the Financial Services Department to issue a corresponding purchase order when a purchase and or an invoice from a vendor or service provider totaled \$500 or greater.

This \$500 threshold amount requiring purchase requisitions/purchase orders has been increased to \$3,000 when a purchase requisition and a corresponding purchase order will be required.

Mayor & City Council Members
Memorandum: Change in Bid & Purchase Order Requirements
October 12, 2016

Approval of Purchase Orders:

The administrative policy and procedures required that the City Manager approve all purchase orders. This requirement has been amended whereby I have designated the City's Director of Finance to approve all purchase orders, except for emergency purchases which will continue to be approved by the city manager. The Department Directors will continue to be responsible for all purchases made by their department staff and will continue to authorize and sign all purchase requisitions. ~~[All purchases exceeding \$15,000 and above will continue to be first reviewed and approved by the City Council.]~~ **Amended by the City Council September 5, 2023 to require only purchases \$50,000 and above to be reviewed and approved by Council.**

Published Notice Requirement:

The City's administrative policy and procedures for purchasing required that for purchases greater than \$15,000 but less than \$50,000, a notice must be published in the newspaper.

~~[This requirement has been amended whereby the City departments will be required to post the notice on the City's website instead of publishing it in the newspaper.]~~ **This requirement was deleted by Council on September 5, 2023, whereby an online notice for purchases under \$50,000 is no longer required.** For purchases above \$50,000, a notice in the newspaper will continue to be published in compliance with the state procurement requirements.

Please let me know if you should have any questions.

J. Scott Sellers
City Manager

cc: James R. Earp, CPM, Asst. City Manager
Jerry Hendrix, Chief of Staff
Jennifer Vetrano, City Secretary
All Department Directors

