



Finance Committee Meeting

AGENDA

April 1, 2008

I. **CALL TO ORDER**

II. **MATTERS BEFORE COMMITTEE**

1. [Discussion / Approve - Purchasing Policy Revision](#)

III. **ADJOURN**



Finance Committee Meeting

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April 1, 2008

Item:

Discussion / Approve - Purchasing Policy Revision

Department:**Additional Information:**

Proposal to raise the limit from \$5,001 - \$10,000 to \$5,001 to \$100,000 for written quotes. Any item over \$100,00 would require sealed bids.

Financial Impact:**Budgeted Item:****Recommendation / Request:**

Viewing Attachments Requires Adobe Acrobat. [Click here](#) to download.

Attachments / click to download

 [Updated Purchasing Policy](#)

CITY OF MONROE PURCHASING POLICIES AND PROCEDURES

All officials and employees of the city shall initiate all purchases of products and services through the centralized purchasing office. The following policies shall be strictly adhered to when making city purchases:

(1) Bids / price quotations. The following dollar amounts shall be applied in determining the process to be used in obtaining bids/price quotations:

- a. Up to \$5000.00 - Verbal quotation
- b. \$5001.00 - \$100,000.00 - Written quotation
- c. Over \$100,000.00 - Sealed bids

(2) Approval. The following approved authority shall apply to the expenditures of city monies:

- a. Up to \$250.00 - Authorized Employees
- b. Up to \$1,500.00 – Department Heads & Assistant Public Works Director
- c. Up to \$5,000.00 - City Administrator
- d. Over \$5,000.00 - Mayor and Council

(3) State Contract Use. The purchasing agent may use State of Georgia contracts for purchasing any products that are available to local governments. By using this method, the necessity of bidding items over \$100,000.00 will be eliminated due to the fact that the State has already bid the item.

(4) Brand name purchases. The purchasing agent may elect purchase of a brand name product or service when the goods comprise a major brand system, program, service previously selected by the city and due to operational effectiveness, future enhancements or additions, or maintenance and storage of spare parts preclude the mixing of brands, manufactures, etc.

(5) Sole source purchases. A contract may be awarded or a purchase made without competition when the city determines that there is only one source for the required products, supply service, or construction item. The purchasing agent shall conduct negotiations as appropriate, as to price, delivery, and terms. A separate file of sole source procurements shall be maintained as a public record and shall list each contractor's name, the amount and type of each contract, and a listing of the item(s) procured under each purchase order or contract.

(6) Modification of specifications. Once a contract is bid and awarded by city officials in accordance with this section, the city reserves the right to further negotiate all terms of the contract if the city determines that it is in the city's best interest to do so without the necessity of rebidding any such contract; provided, however, that any negotiations permitted hereunder shall not result in a variance of the price term exceeding ten (10) percent of the original bid price.

(7) Operational policies / procedures. Consistent with this section and with the approval of the City Administrator, the Finance Department shall develop and adopt written operational policies/procedures relating to the execution of this section, the functioning of the centralized purchasing offices, and which shall also include but not be limited to policies/procedures for:

- a. The procurement of all supplies, services and construction needs by the City of Monroe.
- b. The establishment of programs for specifications development, contract administration and inspection and acceptance.
- c. The selling, lending or otherwise disposal of supplies and equipment belonging to the city.

(8) Issuance of Purchase Orders:

- a. Only authorized personnel may request or obtain a PO number.
- b. Purchase Orders will be coded with the proper account code at time of issuance.
- c. Blanket Purchase Orders will be issued monthly to vendors for small items purchased on a day to day basis.
- d. In cases where a Purchase Order cannot be obtained a check request should be filed immediately on the next regular working day after such an emergency purchase has taken place.

(9) Documentation. Accounts Payable will process PO's after proper supporting documentation is received. A receipt or invoice must support every purchase. Failure to support all purchases with an original invoice may result in a loss of purchasing privileges.

All ordinances or parts of ordinances in conflict with this ordinance are hereby repealed in their entirety.

This policy adopted the _____ day of _____, 2008.

By: _____
Mayor

Attest: _____
City Administrator