

RESOLUTION 12-17

**A RESOLUTION AMENDING PURCHASING PROCEDURES FOR THE
CITY OF WHITE HOUSE, TENNESSEE**

WHEREAS, the governing body of this city has established methods to comply with the purchasing laws of the State of Tennessee and to provide for a more formal process for the procurement of equipment, services, and materials for the operation of municipal government,

WHEREAS, such action is required by the Municipal Purchasing Law of 1983, *Tennessee Code Annotated* 6-56-301, et seq., and

WHEREAS, it occasionally becomes necessary to amend policies within the laws provided to allow for more efficiency and smoother transition within current procedures,

NOW, THEREFORE, the Board of Mayor and Aldermen of the City of White House do hereby resolve that the Purchasing Procedures are hereby amended by changing and updating various sections and subsections as detailed in the attachment.

This resolution shall be effective upon passage.

Adopted this 18th day of October 2012.



Michael Arnold, Mayor

ATTEST:



Amanda Priest, City Recorder

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PURCHASING PROCEDURES CITY OF WHITE HOUSE, TENNESSEE

As designated in Ordinance 07-19, the city administrator shall act as purchasing agent for the city, with power, except as set out in these procedures, to purchase materials, supplies, equipment; secure leases and lease-purchases; and dispose of and transfer surplus property for the proper conduct of the city's business. All contracts, leases, and lease-purchase agreements extending beyond the end of any fiscal year must have prior approval of the governing body.

The purchasing agent shall have the authority to make purchases, leases, and lease purchases of more than ~~one thousand dollars (\$1,000)~~ two thousand dollars (\$2,000) and less than ten-thousand dollars (\$10,000) singly or in the aggregate during any fiscal year and, except as otherwise provided herein, shall require three (3) competitive bids or quotations, either verbal or written, whenever possible prior to each purchase. Competitive bids or quotations for the purchase of items which cost less than ~~one thousand dollars (\$1,000)~~ two thousand dollars (\$2,000) are desirable but not mandatory. All competitive bids or quotations received shall be recorded and maintained in the office of the purchasing agent for a minimum of seven (7) years after contract expires. When requisitions are required, the competitive bids or quotations received shall be listed upon that document prior to the issuance of the purchase order. Awards shall be made to the lowest and best bid.

A description of all projects or purchases, except as herein provided, which require the expenditure of city funds of ten-thousand dollars (\$10,000) or more shall be prepared by the purchasing agent and submitted to the governing body for approval after the solicitation of bids or proposals. After the determination that adequate funds are budgeted and available for a purchase, the governing body may authorize bids or proposals. The award of purchases, leases, or lease-purchases of ten-thousand dollars (\$10,000) or more shall be made by the governing body to the lowest and best bid.

Purchases amounting to ten-thousand dollars (\$10,000) or more, which do not require public advertising and sealed bids or proposals, may be allowed only under the following circumstances and, except as otherwise provided herein, when such purchases are approved by the governing body:

- Sole source of supply or proprietary products as determined after complete search by using department and the purchasing agent, with governing body approval.
- Emergency expenditures with subsequent approval of the governing body.
- Purchases from instrumentalities created by two (2) or more cooperating governments.
- Purchases from non-profit corporations whose purpose or one of whose purposes is to provide goods or services specifically to municipalities.

CITY OF WHITE HOUSE, TENNESSEE
Requisition Form for Purchases Over \$1,000.00-2,000.00

Date issued (date requisition prepared)

Req. No. _____

Date wanted (date delivery is needed)

Department (name of using department)

To be purchased from:
*(This area to be filled in by
Purchasing Department unless
there is only one supplier for items
requested.)*

Requisitioner (signature of requesting person)

Department Head (signature of department head)

Suggested Vendors:

To be delivered to:

1. _____
2. _____
3. _____

*(Give specific delivery instruction,
including name of person
designated to receive the item[s],
department and street address.)*

Item Number	Quantity	Unit	Description	Account To Be Charged	Unit Price	Amount

Competitive Prices: *(To be filled in by Purchasing)*

Approved:

1. _____
2. _____
3. _____

Finance Officer

Purchasing Agent

Departmental Purchase Orders

Purpose

Departmental purchase orders allow the using department to handle small purchases without having to process a requisition through the Purchasing Agent.

When Used

Departmental purchase orders are to be used for buying items which cost ~~one thousand dollars (\$1,000)~~ two thousand dollars (\$2,000)

Who Prepares the Departmental Orders

Any employee may fill out a departmental purchase order; only a Department Head (or designated person assigned in absence of the Department Head) is authorized to sign it.

How to Prepare

A completed departmental purchase order will contain the following information:

- Date: The date the order was prepared
- Dept.: Ordering department
- To: Firm or person from whom purchase is being made and address of vendor
- Ship To: Department to which the goods or services will be delivered
- Requisitioned By: Employee that is making the request
- Account to be Charged: Complete budgetary code of using department
- Quantity Ordered: The amount ordered of each item described
- Item No.: Item number/part number of item purchasing
- Description: Brief description of item(s) to be bought
- Unit Price: Price of individual unit
- Total : Amount of quantity times unit price
- Authorized by: Signature of Purchasing Agent and Department Head indicating adequate budget and availability of cash for purchase.

Routing

A departmental purchase order is a four-part form containing the following:

- **White copy:** Mailed to vendor by Department Head after approval by Finance Officer.
- **Yellow copy:** Acknowledgment copy; will be sent back to department after approval by finance officer.
- **Pink copy:** Kept by Purchasing Agent for filing
- **Marigold copy :** Returned to Accounts Payable to match invoice after department head documented and indicated receipt.

General Information

The department head is responsible for keeping expenses within budgetary appropriations and should try to secure at least three (3) quotes for those items which cost ~~\$1,000.00~~ \$2,000 or less.

These purchase orders will be numbered and issued to the using department by the Purchasing Agent.

It's the responsibility of the department head, considering price and quality, to determine the best source of supply. The Purchasing Agent will assist in vendor selection upon request.

If the purchase is over the dollar limit, under no circumstances may multiple forms be used in an effort to avoid filling out a purchase requisition.