

CITY OF PORT LAVACA

CITY COUNCIL MEETING: February 14, 2022

AGENDA ITEM _____

DATE: January 20, 2022

TO: THE HONORABLE MAYOR AND CITY COUNCIL MEMBERS

FROM: SUSAN LANG, FINANCE DIRECTOR 

SUBJECT: CONSIDER AND APPROVE PROPOSED CHANGES TO THE PURCHASING POLICY AND PROCEDURES

BACKGROUND:

We were made aware by the City's grant consultant, Grant Works, that certain changes were necessary to the City's investment policy in order to address Federal purchasing requirements when the City utilizes federal funds to make purchases. While these changes were necessary, staff decided to take advantage of the opportunity to propose a few more changes to the Purchasing Policy.

The City's Finance and Investment Committees convened on Wednesday, January 19, 2022, and reviewed the proposed changes which included:

1. Changes to emphasize Federal guidelines required when utilizing federal funds
2. Increased the limit required for Purchase Orders from \$1,000 to \$5,000
3. New Purchase Requisition Form
4. Eliminating the City Council report of expenses \geq \$1,500, and replacing with the bi-weekly check register in the form of an email to all City Council members instead of only the Mayor
5. Changing the business & travel expense per diem rate for out-of-town travel to follow GSA guidance

We have provided a red-lined version of the policy highlighting the changes proposed by the committees.

FINANCIAL IMPLICATIONS:

Accepting the changes will provide guidance for future city purchases which will safeguard the usage of taxpayer funds.

COMPREHENSIVE MASTER PLAN:

Promoting Quality of Life and Protecting Investments

RECOMMENDATION:

Approve the proposed changes to the City's Purchasing Policy and Procedures.

ATTACHMENTS:

Purchasing Policy and Procedures as marked-up showing proposed changes.