

CITY OF RICHLAND CENTER

AGENDA ITEM DATA SHEET

Agenda Item: Adoption of Purchasing and Procurement Policy

Requested by: Ashley Oliphant, City Administrator

Meeting Date: Budget Committee and Common Council on 09/01/2026

Background: Purchasing is governed by the Procurement section of the Financial Policies adopted November 3, 2020. Its thresholds no longer reflect how the City buys: sealed bids and a Class 1 notice are required over \$3,000, nothing under \$3,000 requires approval, and the policy is silent on contracts, purchasing cards, and surplus property. The proposed Policy replaces that section in full, in 18 numbered sections with an authority matrix, a purchasing flow, and a glossary. The Accounting section of the 2020 Financial Policies is not affected.

Principal changes:

Topic	2020 Policy	Proposed Policy
Budgeted purchases	No approval under \$3,000; \$3,000 or more requires bids or quotes, then Council action	\$5,000 or less: Department Head. \$5,001 to \$10,000: City Administrator, Over \$10,000: the department committee
Competitive bidding	Sealed bids with Class 1 notice on everything over \$3,000	Quotation, bid, or proposal scaled to amount and purchase type
Public construction	Over \$25,000 sealed bids; \$5,000 to \$25,000 Class 1 notice	Tracks Wis. Stat. 62.15. General construction: over \$50,000. Street, road, and bridge: over \$25,000
Professional services	RFP when cost is expected to exceed \$20,000	RFP over \$15,000 unless exempt
Non-budgeted expenditures	Mayor and/or Council approval on Budget Committee recommendation	Common Council, on recommendation of the department committee and the Budget Committee
Emergency purchases	Mayor, Council President, and City Clerk, by unanimous approval	Mayor, no dollar limit, only when the Section 12.1 criteria are met

New sections with no counterpart in the 2020 policy: exempt expenditures such as utilities, payroll, benefits, and debt service; contracts, including signatories, City Administrator review two weeks before execution, insurance and indemnification, purchasing cards; sale of surplus property; and internal controls and records retention.

Federal awards: The 2 CFR Part 200 requirements were added to the purchasing policy in 2025, as required for the Shared Ride Taxi program. The proposed Policy carries them forward as Appendix A, which applies in addition to the body of the Policy and controls where it is more restrictive.

Amendment authority: Under Section 18, the General Government Committee may amend the Policy and report to Council. All dollar thresholds, and any provision governing who may sign contracts or bind the City, are reserved to the Council.

Effective Date: September 1, 2026. Solicitations issued and contracts awarded before that date remain under the prior policy.

Financial Impact: None. The Policy sets approval, competition, and documentation requirements; it does not appropriate funds.

Funding Source: N/A

Suggested Motion:

BUDGET: Motion to recommend that the Common Council adopt the Purchasing and Procurement Policy as presented, replacing the Procurement section of the Financial Policies adopted November 3, 2020.

COUNCIL: Motion to adopt the Purchasing and Procurement Policy as presented, effective September 1, 2026, replacing the Procurement section of the Financial Policies adopted November 3, 2020.

Attachments: Purchasing and Procurement Policy