

Summary of Proposed Purchasing Policy Changes

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- Update for proper references and section titles
- Addition of Exhibit J – Purchase Order Change Order Form

Article 1: General Information

- Table 1.2
 - Update to reflect adoption of changes effective September 1, 2025.
- 1.11 Purchase of Materials, Equipment, and Supplies for Personal Use
 - Add statement that employees who do not follow this provision may be subject to disciplinary action.
- 1.12 Procurement of Goods and Services from City Employees and/or Immediate Family Members
 - Update to provide a process for requesting an exception to this section, outlining information required to be provided when requesting an exception, and stating that City Manager has sole authority to grant exception.

Article 2: Definitions

- 2.1 Definitions
 - Add definitions for Expenditure Authority, Quote, Quote (informal), and Request for Quote (RFQt).

Article 3: Organization, Authorization, and Responsibilities

- 3.1 General Expenditure Approval Authority
 - Change title from “Single Transaction” to “Expenditure Authority”
 - Update Expenditure Authority Limits to:
 - Department Directors: \$10,000
 - Finance Director: \$25,000
 - City Manager: \$100,000
 - City Council: All transactions over \$100,000
 - Remove “Cumulative Transactions” column.
- 3.2 Authority of Finance Director
 - Update language regarding designation of authority to allow designations only as appropriate and necessary.
- 3.3 Authority of City Manager
 - Update approval authority to \$100,000 as applicable.
 - Update to allow City Manager to issue administrative directives to facilitate operations and ensure compliance with law and best practices. Provide that such directives shall be proposed as policy amendments should they remain in place for more than 90 days.

- 3.5 Responsibilities of City of Tomball Departments
 - Update approval authority as applicable.
 - Provide process for department directors to request the delegation of approval authority in limited circumstances.

Article 4: Processes and Internal Controls

- 4.2 Additional Approvals for Purchases of Vehicles and Equipment
 - Update approval authority to \$100,000.
- 4.4 Prepayments and Advance Payments
 - Update approval authority to \$100,000.
- 4.6 Check Requests (PA-7s)
 - New section to outline procedures required when a check request is needed for processing payments.
- 4.6 Purchase Orders and Requisitions
 - Add language to allow for exceptions to regular requisition/purchase order process.
 - Change to 4.7 Purchase Orders and Requisitions
- 4.7 Procedures for Processing Payments
 - Update language to reflect consistency with City Charter.
 - Change to 4.8 Procedures for Processing Payments

Article 5: Vendor Setup

- 5.3 Tax Exemption
 - Add language noting that the City is not exempt from hotel and certain travel related expenses.

Article 6: Methods and Thresholds for Source Selection (Goods and Services)

- 6.2 Micro Purchases (Under \$3,000)
 - Update language to reflect use of informal Request for Quotes process.
 - Add language noting departments should contact the Finance Department when they make regular, repeated purchases from the same vendor.
- 6.3 Small Purchases (Between \$3,000 and \$50,000)
 - Update range of small purchases to between \$3,000 and \$100,000.
 - Update language reflecting use of informal Request for Quotes process.
 - Add language noting departments should contact the Finance Department when they make regular, repeated purchases from the same vendor.
- 6.5 Formal Sourcing Methods for Goods and Services (Over \$50,000)
 - Update threshold for requiring formal sourcing methods to \$100,000.

- 6.8 Award and Approvals for IFB and IFB-BV Procurements
 - Update language that City Council will award over \$100,000.
- 6.10 Award and Approvals for Requests for Proposals
 - Update language that City Council will award over \$100,000.
- 6.11 Sole Source Procurement
 - Update language that City Council will award over \$100,000.
- 6.12 Emergency Purchases
 - Update language that City Council will be notified of emergency purchases over \$100,000.
- 6.14 Cancellation of Solicitations
 - Update language that City Council will reject bids or proposals over \$100,000.
- 6.15 Rejection of Individual Bids, Proposals, Statements of Qualifications or Reverse Auctions
 - Update language that City Council will reject bids or proposals over \$100,000.

Article 8: Procurement of Professional Services

- 8.4 Awards and Approvals
 - Update language that City Council will approve awards over \$100,000.

Article 9: Procurement of Public Works

- 9.5 Public Works Under \$50,000 – Request for Quotes
 - Update language to reflect increase to \$100,000 for maximum threshold to use Request for Quotes.
- 9.6 Public Works Over \$50,000 – Competitive Sealed Bid – IFB
 - Update language to reflect threshold for bidding is \$100,000.
 - Update language to reflect approval authority of City Council is \$100,000.
- 9.7 Public Works Over \$50,000 – Competitive Sealed Proposal – RFP
 - Update language to reflect threshold for formal RFP process is \$100,000.
 - Update language to reflect approval authority of City Council is \$100,000.
- 9.8 Public Works Over \$50,000 – Alternative Project Delivery Methods
 - Update language to reflect threshold for alternative delivery methods is \$100,000.

Article 11: Contract Modifications (Change Orders)

- 11.2 Process and Authorizations
 - Update language to reflect City Council approval is \$100,000.
 - Update language to reflect current procedures that Finance Director approves all change orders and City Manager approves change orders over \$10,000.

Article 16: Interlocal Contracts Procurement

- Remove conflicting language regarding Council approval to have consistent approval processes.

Article 17: Cooperative Buying Agreements

- 17.2 When Agreement is Required and/or Authorized
 - Remove conflicting language regarding Council approval to have consistent approval processes.
- 17.3 Approval to Purchase from Cooperative Contract
 - Update language to reflect City Manager can approve expenditures up to \$100,000 and City Council approves at \$100,000 and higher.

Exhibit A: Purchase Flow Charts

- Update to reflect new approval and bidding thresholds.

Exhibit C: Purchase Order Requisition Process

- Update to reflect informal RFQ process is used for purchases between \$3,000 and \$100,000.
- Update to reflect that purchases of \$100,000 or more require competitive bidding process.

Exhibit F: Emergency Purchase Justification Form

- Update to reflect approval authority of City Council is \$100,000.

Exhibit G: Exemption from Competitive Bidding Form

- Update to remove statement that City Council approves exemptions. All exemptions can be approved by City Manager.

Exhibit H: Procedure for Purchasing Equipment and Vehicles

- Update to reflect City Council approval is required when purchase is \$100,000 or more.

Exhibit J: Purchase Order Change Order Form

- New form to document when a change order is requested after a purchase order is approved.