

Information for Town Council Meeting on October 9, 2018

TO: Mayor and Town Council

VIA: Kirk W. Blouin, Town Manager

VIA: Jane Le Clainche, CPA, Director of Finance

FROM: Dean Mealy, II, CPPO, Purchasing Manager

DATE: October 2, 2018

RE: Approval of Resolution for Updated Purchasing Thresholds
Resolution No. 183-2018

STAFF RECOMMENDATION

Staff recommends approval of Resolution No. 183-2018, establishing new Purchasing Thresholds for fiscal year 2019.

SUMMARY EXPLANATION/BACKGROUND

At the beginning of fiscal year 2018, a recommendation was made to Town Council to implement new Purchasing Thresholds for the Town Manager and for the Purchasing Manager. The Town Manager's threshold was re-established at \$35,000, which is the state's threshold for level two review and approval. It is being recommended that the Town Manager's threshold be raised to \$65,000 for goods and services, which is the state's threshold for level three review and approval. The Town Purchasing Manager's authority was set at \$15,000. It is recommended to move this amount to \$25,000.

All contracts that are multi-year or greater than \$65,000 in value, will still be presented to the Town Council for review and approval.

The \$65,000 threshold, level three, established by the State is for contractual work such as services being provided. It should be noted that 99% of all contracts are multi-year and will come before the Town Council. This new threshold will provide the Town Manager with authority to make approvals for amounts up to, and including \$65,000. All requisitions processed regardless of amount, are still required to be routed through the Town financial system for review and approval to ensure the budget line exists.

All existing thresholds for formal bidding will remain in effect. The new approval authorities for the Purchasing Manager and Town Manager will be within the established guidance.

FISCAL IMPACT/FUNDING SOURCE

There is no fiscal impact or funding source issue. All requisitions for goods and services are routed through Finance for budget check and secondary review regardless of dollar value.

TOWN ATTORNEY REVIEW

Resolution is in form previously approved by Town Attorney.

CC: Jay Boodheshwar, Deputy Town Manager