



Purchasing FAQs

1. When is a Purchase Order required?

- A Purchase Order is required when buying anything over \$3,000.

2. Can I go directly to a vendor to purchase a needed item or service?

- If the item or service is under \$3,000 you can go directly to a vendor. If the item or service is over \$3,000 you are required to get 3 quotes and submit a requisition for a Purchase Order.
- Exception: Unless the item or service is on a governmental contract or cooperative.

3. Can I use several employees' credit cards to purchase an item or service?

- You cannot split a transaction to avoid the \$3,000 limitation. Doing this would be an offense under Local Government Code Chapter 252.062 and may be a Class B misdemeanor.

4. When is a formal solicitation required for a project, item or service?

- Any project, item or service that is estimated over \$50,000 is required to have a formal solicitation document with statutory advertising periods. The exceptions to this are items that are on another governmental contract (cooperative or State of Texas contract).

5. When is Council approval required?

- Per the City of New Braunfels Charter Article IX. Municipal Finance section 9.17...The City Manager shall have the authority to contract for expenditures without further approval of the City Council for all budgeted items not exceeding twenty-five thousand dollars (\$25,000). All items or services over \$25,000 require City Council approval.

6. Is the \$25,000 for approval by Council per one time buy or is it cumulative?

- The \$25,000 approval by Council is for the total spend with one vendor during a fiscal year.

7. What is a professional service and what type of procurement method is required?

- A professional service is considered within the scope of the practice of accounting, architecture, landscape architecture, land surveying, medicine, optometry, professional engineering, real estate appraising and professional nursing.
- The selection of the professional service is based on demonstrated competence (RFQ) and qualifications to perform the services and for a fair and reasonable price.

8. Is it appropriate for a vendor to demonstrate a product for staff?

- There are times when staff will require a vendor to demonstrate their product better understand staff needs. The guidelines for having a vendor demonstrate would be:
- Contact Purchasing – before setting up the demonstration. There may be more than one potential vendor for your item or product.
- Make sure the vendor knows their demonstration is for Information only. Any pricing received from the vendor is also information only. At no time should you make any commitment to purchase the item.
- Depending on the total price a formal solicitation may take place. In this instance a generalized scope of work would be required listing only salient characteristics, no specific reference to the demonstrated item or product.

9. What type of equipment requires proof of ownership documentation and who is responsible for filing these records?

- Any asset valued at \$5,000 including vehicles, mowers, trailers, ATVs, etc. that require registration and or title. All assets and corresponding paperwork should be routed through the Fleet Manager for check in then paperwork is forwarded to Purchasing for processing.

Standard Purchasing Terms that you may find helpful:

- Cooperative contract (Buyboard, HGAC, US Communities, NJPA, NPP, TX Smart Buy, TCPN) – agencies that the City of New Braunfels is a member of that have already competitively bid commodities/services that we can use without having to issue a formal solicitation.
- Sole source – a procurement method that can be used when there is only one vendor/supplier of a particular commodity or service or where there is inability to obtain competition.
- Requisition – a request entered into One Solution to have a purchase order created
- Purchase Order – a legal binding contract to pay a vendor for a service or commodity

Commonly used acronyms in Purchasing:

- IFB – Invitation for Bid – used for requesting definite commodities/services, cannot negotiate, award is based on the lowest responsible, responsive bidder
- RFQ (2 meaning) – Request for Quote – a informal method of gathering quotes
Request for Qualifications – used to obtain statements of the qualifications of potential development teams or individuals (i.e. consultants)
- RFP – Request for Proposal – used for requesting indefinite commodities/services, negotiable, award is based on evaluation criteria for scoring mainly used for technology other than construction
- CSP – Competitive Sealed Proposal – used for requesting indefinite commodities/services, negotiable, award is based on evaluation criteria for scoring mainly used for construction
- CMAR – Construction Manager at Risk