



Purchasing Procedures

Dear Reader:

The following document was created from the MTAS website ([mtas.tennessee.edu](https://www.mtas.tennessee.edu)). This website is maintained daily by MTAS staff and seeks to represent the most current information regarding issues relative to Tennessee municipal government.

We hope this information will be useful to you; reference to it will assist you with many of the questions that will arise in your tenure with municipal government. However, the *Tennessee Code Annotated* and other relevant laws or regulations should always be consulted before any action is taken based upon the contents of this document.

Please feel free to contact us if you have questions or comments regarding this information or any other MTAS website material.

Sincerely,

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Purchasing Procedures

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One of the most important jobs of a municipality is choosing the person responsible for purchasing. In some cases the municipal charter specifies the buyer. If the charter doesn't, the governing body must make the selection. The municipality should formally recognize the office of purchasing agent and the adoption of the purchasing procedures by ordinance. The buyer should be available to give input for creating and adopting purchasing procedures.

Using written, organized buying procedures is important because it lets taxpayers know their money is being spent carefully. Vendors know they will be treated fairly, and employees will have support, direction and protection from their highest superiors. Good purchasing policies should be developed around mandatory purchasing laws and regulations, common-sense business practices, and day-to-day practical experience.

The sample purchasing procedures contained in "Purchasing through Competitive Sealed Proposals" were selected as samples because they are comprehensive and practical. Some will be better than others for certain municipalities. In any case, the policies can easily be modified for most situations. According to these procedures, the municipality competitively bids everything costing \$1,000 or more and requires public advertisement and sealed bids for everything costing \$2,500 or more. To modify for another municipality, simply change the amounts. Changes in routing of paperwork can be modified in the same way.

The size of the municipality makes little difference in the need for good purchasing procedures. Some municipalities will want a more sophisticated system.

DISCLAIMER: The letters and publications written by the MTAS consultants were written based upon the law at the time and/or a specific sets of facts. The laws referenced in the letters and publications may have changed and/or the technical advice provided may not be applicable to your city or circumstances. Always consult with your city attorney or an MTAS consultant before taking any action based on information contained in this website.

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