

CHAPTER 7:

INVENTORY PURCHASING PROCEDURES

Revised 4/20

7A) Inventory Purchasing Procedures

This procedure will allow departments with inventories to arrange for purchase and delivery of product.

Following award of a contract by the City for product warehoused by inventory, the Contract Buyer will issue a contract letter to the successful bidders.

A copy of all documents pertinent to contract award will be furnished to the departmental inventory clerk. These documents will include as a minimum, the bid tabulation and a copy of the contract.

The inventory clerk will prepare each order as a separate invoice for payment. The purchase order, invoice and any other shipping documents will be forwarded to the Purchasing Department for payment.

Each clerk will maintain those records necessary to assure that the dollar amount of the contract is not exceeded. In the event the dollar amount of a contract is exhausted prior to time of expiration, the Inventory clerk will submit a memorandum to the Contract Buyer detailing conditions and causes. Also included will be actual and anticipated usage figures to be used for a change order or for bid letting for a new contract.

1. The clerk runs a report that shows all items near the minimum stock point and ready to order.
2. The clerk or the designee reviews report, marks items that are on existing contracts for immediate order and designates items and quantities to be ordered on spot purchase.
3. The clerk phones, faxes or emails out bids to appropriate vendors. Based on the projected value of the bid, the bids will be sent out to a minimum of three vendors.
 - a. On purchases less than \$3,000, the inventory staff solicits phone bids, fax, and emails.
 - b. On purchases from \$3,000 to \$49,999.99, the inventory staff faxes or emails bid requests to vendors and they are required to either fax or email back a written bid. Written confirmations are required on every request. Must get Director of Purchasing or Designee approval.
 - c. On purchases over \$50,000, requisitions are forwarded to the Purchasing Department for processing the invitation for bid.