

# **POSITION PAPER**

## **Proposed Adoption of Revised City of Tontitown Purchasing Manual**

### **REVISED - Includes Appendix A, Arkansas Cooperative Purchasing Research Guide**

*For City Council Consideration - October 6, 2026*

#### **Purpose**

The proposed revised Purchasing Manual is intended to replace the City's July 2025 manual with a clearer and more practical purchasing system that reflects Tontitown's actual organizational structure, strengthens financial controls, and gives Department Heads procedures they can realistically follow in day-to-day operations.

The attorney-reviewed draft already reorganizes purchasing responsibility around the City's actual offices, removes references to a nonexistent Director of Finance, strengthens budget verification and monthly reporting, clarifies quotation and approval requirements, prohibits purchase splitting, improves sole-source and emergency documentation, strengthens receiving and payment controls, and preserves a retrievable procurement record. The draft also expressly recognizes Arkansas State Procurement and authorized cooperative purchasing arrangements as lawful purchasing tools when used within applicable law and contract terms.

#### **Prior Amendment to Departmental Purchasing Authority**

After discussion with Department Heads, the proposed approval structure was also adjusted to make the Manual more workable at current operating costs. Under the amended proposal, Department Heads may approve budgeted purchases through \$10,000; purchases from \$10,001 through \$19,999 require Department Head and Mayor approval; and purchases of \$20,000 and above continue to require City Council approval. This change affects approval authority only and does not eliminate quotation, bidding, budget, documentation, purchase-order, or other legal requirements.

#### **New Appendix A - Cooperative Purchasing Research Guide**

While working through the 2027 budget, I encountered a practical purchasing issue that was not obvious from the Manual itself. One of the most useful tools available to a municipality is the ability, when legally authorized, to purchase through Arkansas State Procurement contracts and established cooperative purchasing contracts such as Sourcewell. These contracts can allow the City to rely upon a competitive procurement process that has already been conducted rather than duplicating an advertised bid process, but only to the extent permitted by Arkansas law, the applicable cooperative contract, City ordinances, grant requirements, and the Manual.

The difficulty is that these websites are not intuitive to an occasional user. During the budget process I attempted to locate contract information, product coverage, discount schedules, and vendor contacts for a proposed equipment purchase. What appeared at first to be a simple search required repeated testing of the Arkansas State Procurement site, the cooperative contract pages, vendor-specific contract numbers, document tabs, pricing documents, and quote contacts. A person who does not regularly perform public purchasing could easily become lost in that process or conclude that the information is unavailable when it is simply located elsewhere on the contract page.

That experience led to the addition of Appendix A, “Arkansas Cooperative Purchasing Research Guide.” The Appendix is intentionally detailed and written for an untrained or infrequent user. It begins with the Arkansas State Contracts page, instructs the user to record the complete cooperative contract number, directs the user to the exact vendor contract page, explains how to verify that the desired product or service is actually covered, directs the user to the Documents section for published pricing or discount information, and provides a fallback to the vendor’s quote-assistance contact when pricing is not publicly posted. It also includes a simple research record so the supporting contract and quote information can be retained in the procurement file.

The objective is not to turn every Department Head into a professional purchasing officer. Tontitown is not presently in a financial position to employ a full-time purchasing agent, so purchasing research necessarily falls upon Department Heads, administrative staff, and others whose primary job is something else. A written, click-by-click appendix gives those employees a common starting point and should materially improve the likelihood that cooperative purchasing opportunities are located, documented, and used correctly without requiring specialized procurement experience.

### **Why the Appendix Belongs in the Manual**

- It converts a broad authorization to use State and cooperative contracts into a usable administrative procedure.
- It helps Department Heads identify existing competitively procured contracts before undertaking a separate solicitation that may be unnecessary.
- It improves budget preparation by making it easier to obtain defensible contract-based pricing estimates and governmental quotes.
- It reduces dependence on institutional memory or a single employee who happens to know how a particular website works.
- It strengthens the audit trail by prompting the user to retain the Arkansas contract reference, cooperative contract page, pricing documentation, and final quote.
- It does not waive any legal requirement. If a State or cooperative contract does not legally apply, the City must use the otherwise required procurement process.

### **Relationship to Chapter 7**

Chapter 7 of the revised Manual already states that the City may purchase through Arkansas State Procurement contracts, authorized cooperative purchasing programs, contracts of other governmental entities where legally permissible, or other lawful joint-purchasing arrangements. It also provides that competitive procedures otherwise applicable may be satisfied or avoided only to the extent permitted by law. Appendix A does not change that authority. It simply supplies the administrative roadmap for finding and documenting those contracts.

### **Relationship to the 2027 Budget**

The revised Purchasing Manual and the 2027 budget process are intended to work together. The budget determines what funds are appropriated and available; the Purchasing Manual establishes how those funds may be committed and spent. Appendix A adds a practical research tool that can help Department Heads develop more reliable equipment and operating estimates during budget preparation and later obtain contract-supported governmental quotes when purchases are authorized.

## Recommendation

I recommend that the City Council approve the revised Purchasing Manual, including Appendix A - Arkansas Cooperative Purchasing Research Guide, for use beginning with the 2027 purchasing cycle, subject to any final legal corrections recommended by the City Attorney.

The purpose of this revision remains practical rather than bureaucratic: give Department Heads enough authority and usable guidance to operate their departments, while preserving budget controls, lawful competition, Council oversight, documentation, and a clear audit trail. The new Appendix is intended to make one of the City's most useful purchasing tools accessible to ordinary users without the cost of a full-time purchasing agent.

*Prepared for Council and City Attorney Review*