

CITY OF MERRIAM

CITY COUNCIL POLICY MANUAL

POLICY NO. 106

EXPENDITURE AUTHORIZATION

- 1.01 Department heads are hereby authorized to spend according to their approved budget, exclusive of all capital equipment purchases greater than \$1,000, which must be approved by the City Administrator. For purposes of this policy, the term “City Administrator” may also refer to his/her designee.
- 1.02 The City Administrator is authorized to spend according to the Citywide approved budget. It is the responsibility of the City Administrator on all capital equipment purchases over \$1,000 and under \$5,000 to solicit bids or quotes and on all capital equipment purchases over \$5,000 and under \$10,000 to solicit written bids and make the purchase from the lowest and/or best bidder. In the case of an emergency, the City Administrator is authorized to expend funds from the City’s General Fund Contingency Account without obtaining bids or quotes.
- 1.03 A listing of capital equipment purchases over \$2,000 will be presented monthly to the Finance and Administration Committee and will be available to the public in the City Clerk’s Office.
- 1.04 For all capital equipment purchases over \$10,000 the City Administrator shall cause sealed bids to be solicited, and shall forward the purchase recommendation to the responsible City Council committee for action by the Committee and the City Council.
- 1.05 For all bids awarded by the City Council it will be the responsibility of the City Administrator to make the appropriate expenditures in accordance with the bid approved by the City Council.
- 1.06 The City Administrator has the authority to approve change orders related to Capital Improvement Projects up to a cumulative total of 2% of the bid or proposal and less than \$20,000. The cumulative total of change orders exceeding \$20,000 or 2% of the bid or proposal must be approved by the City Council. The change order expenditure(s) authorized by the City Administrator as per this section must be within the established project budget as approved by the City Council.

APPROVED BY THE GOVERNING BODY ON JANUARY 25, 1993.

REVISED BY THE GOVERNING BODY ON JUNE 24, 2002.