
Town of Seabrook

Memorandum

To: Board of Selectmen

From: Town Manager

CC: Kelly O'Connor

Procurement Policy

October 12, 2023

I have attached the existing town procurement policy for the annual review and adoption. I have reproduced below the existing languages on the purchasing thresholds.

SECTION VII: PURCHASE LEVELS

- A) PURCHASES UP TO \$2500: The Department Head *shall* have full authority to make departmental *purchases* of goods or services up to \$2500 which are identified within the department's annual budget. Although not required, the provisions of this section encourage a Department Head to solicit multiple price quotes in order to ensure the best value for the Town.

- B) PURCHASING BETWEEN \$2501 AND \$10,000: In accordance with the provisions of this section, the Town Manager *shall* have full authority to approve departmental *purchases* of goods or services up to \$10,000 for those items which are identified in the Town's budget.

Section VII was part of the discussion at the last meeting. In discussions with Purchasing Director Shaylia Wood we could recommend some changes to this section. While we would not be in favor of simply changing the threshold in A to \$5,000 we would recommend doing so with the proviso that the policy verbiage strongly encourage the Department Head to seek quotes between \$2,500 and \$5,000. It would give the additional requested flexibility but urge the Department Head to seek quotes where possible.

Additional recommendations would include a change to require purchase orders for all purchases, and to formally include the recently developed Procurement Policy Exemption Justification Form as part of the policy. This form was designed to give the flexibility requested by Departments while creating a paper trail for our auditors. It allows for the emergency procurements, as well as other procurements, that cannot be compliant with the existing policy.

If the Board agrees with those changes we would incorporate them into a revised document and bring to you for final approval.