



MAYOR JOHN MARK FRANCIS

CITY OF DEPORT, TEXAS

Date 2/01/2017

City Council

Re: New Business Processes

City Council,

In study and review of standard practices of the past, I believe it's important that we make some essential changes to our processes, systems and operations. The changes listed below will help us ensure that we are stretching every single tax dollar given to us to its fullest extent, cutting all waste, and being as transparent with all finance, and city functions. The items listed below are items that will be implemented this year.

A- Purchase Order System for all purchases over \$200.

- a. In order to keep better track of all purchases, we must implement a system where checks cannot just be written and signed without much oversight. In order for anyone to make purchases, they must have a quote that is approved by the mayor, and a purchase order filled out. The purchase order will be given to the vendor and after items are received that vendor will send an invoice and the city will then issue payment.
- b. This helps us keep better track of all purchases, ensures that when we purchase an item that we are happy with the purchase and there are no defects or returns needed before payment is issues.
- c. This makes sure that all purchases are essential purchase
- d. This ensures that all purchases are within the constraints of the adopted budget line item category.

B- New Contract Renewal Policy

- a. A very import aspect of city business are the contracts for services and providers. Each year during the first council meeting of the year, the city secretary will make a presentation of any contract that will expire that year.
- b. With each contract the council will discuss the financials, happiness with the services provided and if there are any additions or subtractions that can be made for negotiating the upcoming renewal.
- c. All contracts will be subject to a (RFB Request for Bid or IFB Invitation for Bid) before renewal. Using a sealed bid system, we will ask the current provider and at least 2 (two) other providers of the same service to submit bids for the services requested. After bids are received and reviewed by the council, the council will then determine which bid to accept and which contract to execute. The determination will be made using the specifications on the bid request form.

C- New Procurement Process

- a. Services or Products in the amount of \$3000 or below will not require competitive bids, but can be suggested by the mayor and/or council.

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- b. Over \$3,000 through \$25,000: At least three vendors must be contacted for competitive bids.
- c. Over \$25,000: Sealed competitive bid or proposal process is required and handled through the mayor and city secretary, unless specifically exempt by Texas State Law.

D- Financial Transparency and Budgeting

- a. The city will arrange overall budgets by category and line item. Each purchase order and purchase will be coded through its specific line item. For example; if a purchase is made for pens, pencils, paper and tape; then this purchase order must be coded under a new budget line item titled "Office Supplies". This makes our purchases more transparent. We will determine changes to categories before the next budget workshop session.
- b. If the current budget and purchasing software does not allow for working with a line item and purchase order system with approvals processing system, then we invest in the proper software and programs to make this possible as soon as possible.

E- Review, Update and Digitize City Organizational Documents

- a. All city organization documents need to be reviewed, updated and created in digital form. These documents will need to be hosted on our city website and easily accessible for our citizens.
- b. These documents include: City Charter, City Ordinances, City Budgets, Council Agenda, Council Minutes, Annexation Plan, City Maps and Monthly check register.
- c. If we do not have the ability with the staff that we currently have to update, digitize and host these documents, we must request vendors to submit proposals to make this happen.

These 5 (**Five**) points will ensure that we as a city are doing everything we can to be fiscally conservative, cut waste and that we are without question using tax dollars wisely. This is a big task, but it is a task that must be fully implemented by the end of 2017. As the elected Mayor, I have a duty to ensure that our city is doing everything in its power to protect and work for its citizens. The council and I will do everything in our power to do what is best for the City of Deport.

Best regards,


JOHN MARK FRANCIS, MAYOR

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