

City of Bellmead, Texas

Financial Policies

Approved 12/05/2025

INTERNAL CONTROLS

DISBURSEMENTS

FIN-1006: PROCUREMENT

I. Purpose

The City shall incorporate all applicable local, state, and federal laws into procurement procedures. If a conflict exists, local, state, and federal laws shall prevail. ([Texas Local Government Code §252.002](#)). The [City Charter](#) shall control in case of conflict.

A. Intentions

The City shall:

- Acquire, store, disburse, utilize, and dispose of goods and services uniformly and economically.
- Require departments to follow Finance procedures and applicable law.
- Provide departments with procurement guidance and support.

B. Guiding Principle

The City shall obtain competition that delivers the highest quality goods and services at the lowest price or best value.

II. Responsibilities

A. Employees

Employees of the City shall discharge their duties impartially, shall assure fair access to procurement, and shall act in a manner that fosters public confidence. Employees responsible for Finance shall:

- Purchase goods or services that meet the City's needs.
- Obtain the best possible price or value.
- Ensure goods or services are available when and where needed.
- Guard against misappropriation of City funds.
- Facilitate cooperation with other governmental units.
- Maximize competition from responsible bidders.
- Safeguard public funds and obtain best value.
- Not use City purchasing authority for personal benefit.

B. Finance Department

The Finance Department shall audit all purchases and sales and shall ensure employees:

- Properly authorize transactions.
- Follow procurement and disposition procedures.
- Comply with competitive bidding statutes.

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- Receive and record materials, supplies, services, and capital assets appropriately.
- Conduct procurement operations efficiently.

III. Code of Ethics

A. Employees

Employees shall discharge procurement duties impartially and shall foster public confidence.

B. Vendors

Vendors shall comply with these ethical standards.

1. **Personal Gain** – Employees shall not realize personal gain from procurement activity.
2. **Influence** – Vendors shall not attempt to influence employees to breach standards.
3. **Conflicts of Interest** – Employees and officials shall not participate when they or an immediate family member have a financial interest. Vendors must file Form 1295 when required ([Texas Local Government Code Ch. 176](#)).
4. **Gratuities** – Employees and vendors shall not offer, solicit, or accept gratuities or employment in connection with procurement.
5. **Kickbacks** – Contractors and subcontractors shall not exchange inducements for awards.
6. **Contract Clause** – All solicitations and contracts shall include prohibitions on gratuities and kickbacks.
7. **Confidential Information** – Employees shall not use confidential information for personal or third-party gain.
8. **Personal Use** – Employees shall not purchase personal items using City authority.
9. **City Pricing** – Employees shall not use City pricing or sales tax exemptions for personal benefit unless offered equally to all employees.
10. **Gifts** – Employees shall not solicit gifts. Unsolicited items of nominal value may be accepted. Perishable items that cannot be returned will be disposed of at the City Manager’s direction.
11. **Subversion** – Employees shall not split purchases to avoid bidding thresholds ([Texas Local Government Code §252.001](#)).

IV. Procurements

All procurement shall comply with applicable State of Texas statutes and City ordinances.

A. Legal Requirements

- “Departments shall make good-faith efforts to solicit quotes from certified small or disadvantaged businesses **as recognized under current State of Texas programs**, including the Veteran-Owned or VetHUB program administered by the Texas Comptroller, **when such vendors are reasonably available**.

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Documentation of outreach efforts shall be retained with procurement files. The absence of locally certified vendors shall not delay procurement.”

- Component, separate, or sequential purchases are prohibited.

1. Employees and Vendors

- No officer or employee shall have a financial interest in a City contract.
- No preparer of specifications shall benefit from those specifications.
- Vendors that prepare specifications must agree not to bid unless permitted by statute (e.g., Construction Manager-at-Risk).

2. Departments

Purchases of \$100,000 or more shall be formally advertised and awarded to the lowest responsible bidder, unless an exception applies ([Texas Local Government Code §252.021](#)).

B. Exceptions

Departments may request an exception by submitting written justification to Finance with a copy to the Department Head. Finance will review and make a recommendation to the City Manager, who shall approve or deny the request.

C. Grants

Departments receiving federal grants shall follow both grant procurement requirements and this policy.

V. Utilities

All utility purchases (electricity, water/sewer, garbage, communications, etc.) shall be managed by Finance. Departments are not authorized to commit the City or contact providers directly. Violations will result in disciplinary action, up to termination. Department Heads shall ensure compliance.

VI. Finance Limits

Amount	Forms Required	Dept. Director	CFO	City Manager	Council
< \$1,000	None	✓			
\$1,000 – < \$3,000	Quote Summary + PO	✓	✓	✓	
\$3,000 – < \$100,000	Quote Summary + PO	✓	✓	✓	
≥ \$100,000	PO + Formal Bid	✓	✓	✓	✓

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A. Purchases

1. Less than \$1,000

- Departments may purchase without competitive quotes or POs if within budget.
- If the vendor requires a PO, Finance shall issue one.
- Falsifying PO numbers is prohibited and subject to discipline.

2. \$1,000 \geq and $<$ \$3,000

- Departments shall obtain at least two quotes and include them on a Quote Summary.
- Department Directors shall email forms to Finance.
- Departments shall submit an electronic requisition through the financial system.
- Originals and receiving documentation shall be sent to Accounts Payable by the next business day.
- If only one quote is obtained under an exemption, the Director shall note the exemption on the form.
- Employees must not purchase without a PO; violations require return of the item or reimbursement.

3. \$3,000 \geq and $<$ \$100,000

- Departments shall submit an electronic requisition through the financial system.
- Departments shall make **good-faith efforts to solicit quotes from certified small or disadvantaged businesses recognized under current State of Texas programs (including the Veteran-Owned/VetHUB program), when such vendors are reasonably available.**
- **Lack of locally available certified vendors shall not delay procurement.**
- Departments shall obtain at least three written bids.
- Department Directors shall email the Quote Summary and bids to Finance.
- Finance shall issue a PO once approvals are obtained.
- Employees must not purchase without an approved PO.
- Emergency purchases may be made only under Section IX.A.2; confirming documentation shall be submitted to Finance the next business day.

4. \geq \$100,000

- All expenditures shall receive City Council approval in advance.

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- Departments shall formally advertise and award to the lowest responsible bidder unless exempt ([LGC §252.021a](#)).
- Departments shall prepare specifications, manage solicitations, and provide Council with a recommendation.
- Departments shall submit an electronic requisition through the financial system.
- Finance shall issue the PO and/or contract following Council approval.

VII. General Provisions

A. General

- The City Secretary **will maintain** bids and procurement records under the Records Management Program.
- Departments **will charge** purchases only to accounts with available budgeted funds.
- Employees **shall not** split, separate, componentize, or sequence purchases to evade thresholds.
- The City **shall not** contract with vendors indebted to the City or the State of Texas ([LGC §252.0436](#)).
- The City **shall not** contract with any business entity owned, operated, or controlled by a City Council Member, City official or City employee.

1. Change Orders

a) Purchases $\$1,000 \geq$ and $< \$3,000$

- A Department Director **shall not** authorize a change order that increases the original contract above **\$3,000** without the City Manager's prior approval.
- If the increase is **> 10%** of the original amount (and total remains **< \$3,000**), the Director or designee **shall attach** a memorandum to the quote form **explaining** the reason for the increase.

b) Purchases $\$3,000 \geq$ and $< \$100,000$

- A Department Head **shall not** authorize a change order that increases the original contract above **\$100,000** without **City Council approval**.
- If the increase is **$\leq 25\%$** of the original amount (and total remains **< \$100,000**), the Department Director **shall attach** a memorandum to the **electronic purchase change requisition** requesting approval.

c) Purchases $\geq \$100,000$

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- For change orders $\leq 25\%$ of the contract price **and** $\leq \$100,000$, City Council **authorizes** the City Manager to approve. The City Manager **shall not** decrease the original contract by $> 25\%$ without the contractor's consent.
- Change orders **exceeding** the City Manager's authority **shall be approved** by City Council. ([LGC §252.048](#))

2. Tie Breakers

When two or more vendors submit **identical bids**:

- If exactly **one** vendor is a City resident, the City **will accept** the local bid.
- If **two or more** are residents (or none are), lots **must be cast**. For bids $< \$100,000$, Finance **will supervise**; otherwise, the City Manager **will supervise**. ([LGC §271.901](#))

3. Consideration of Location of Bidder's Principal Place of Business

For movable property (not affixed to real property), if a bid from a **City-based** bidder is **within 5%** of the lowest **non-resident** bid and the expenditure is $< \$100,000$, the City **may** contract with:

- The **lowest** bidder; **or**
- The **local** bidder if Council **determines in writing** the local bid offers the **best combination** of price and economic development benefits (jobs, tax revenue, etc.).
- The City **may** reject **all** bids. ([LGC §271.905](#))

4. Preference for Recycled Products

- The City **will give preference** to products made of recycled materials **when** they meet applicable specifications for quantity and quality.
- Finance **will review** procurements to eliminate discriminatory specifications; encourage recycled content; and ensure, to the maximum extent **economically feasible**, that the City **purchases** items that are recyclable after use. ([Health & Safety Code §361.426](#))

B. Contracts

1. Annual Contracts

The City **may use** annual (term) contracts to obtain goods/services at fixed pricing for a defined term; annual contracts **require** a purchase order.

a) Contracts Requiring Debt/CO/Lease-Purchase

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- If financing (bonds, COs, notes, lease-purchase, etc.) is **intended**, the City Manager or Director **must obtain** City Attorney and City Council approval **before** soliciting bids.
- Council **must approve by ordinance** the notice of bids for any good or service financed by CO. ([LGC §252.050](#); [LGC Ch. 271](#))

b) Construction Projects (Public Works)

If the contract is for public works construction, the department **shall**:

- **Prepare** plans/specs and bidding/contract documents including:
 - Workers' compensation requirements. ([Labor Code §406.096](#))
 - Excavation requirements/pay items if applicable. ([Health & Safety Code §756.023](#))
 - Bonding requirements. ([LGC §252.044](#); [Gov't Code Ch. 2253](#))
 - Prevailing wage schedules. ([Gov't Code Ch. 2258](#))
- **Deliver** a request to advertise to the City Manager, CFO, and City Secretary at least **fifteen (15) working days** before the first advertisement.
- **Provide** proposed contract documents/specifications and a **Bid Tabulation Sheet** to the City Manager, CFO, and City Secretary.
- **Check** references and **recommend** action in writing to the City Manager, CFO, and City Secretary.
- **Answer** bidder questions on technical specifications; **issue** addenda and **forward** copies to City Manager, CFO, and City Secretary **before** bid opening.
- **Open, tabulate, and check** bids; **furnish** copies of all bids and the bid tab to City Manager, CFO, and City Secretary.
- **Administer** the contract (notice of award, contract signing, bonding, notice to proceed, administration).
- **Place** award recommendation on the City Council agenda.
- The Department Director **shall forward** all approved contracts to the CFO and City Secretary. ([LGC §252.044](#); [Gov't Code Ch. 2253](#))

c) Bidder's List

The City **does not maintain** a bidder's list; all bids **are advertised**.

d) Facility Construction Delivery Methods

For facilities, the City **may use** competitive bidding; competitive sealed proposals; design-build; construction manager; or job-order contracting, selecting the **best value** method. ([LGC §271.113](#))

e) Award considerations

In awarding, the City **may consider** purchase price; vendor reputation/quality; fit to City needs; vendor past performance; total long-term cost; and other factors listed in the solicitation. ([LGC §271.113](#))

C. Receiving and Inspection

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- Each department **shall inspect** all items/services received. If unacceptable, the department **must take** immediate action to obtain replacement or alternate supply.
- The receiving employee **shall check and sign** freight bills and packing slips and **forward** them to Accounts Payable.
- Shortages/damages **shall be noted** on the freight bill; the driver **shall sign** acknowledging. For concealed damage, the department **shall notify** Finance promptly; damaged items **must be held** for carrier inspection.
- For partial shipments, departments **may use** reproduced copies of the receiving form to indicate partial receipt.

D. Open Purchase Orders

- Finance **will issue** open POs to selected vendors for repetitive purchases.
- Authorized City employees **must sign** vendor invoices charged to an open PO.
- Department Directors **shall forward** signed invoices (with PO number) to Accounts Payable. The Accounting Specialist **must have** all signed invoices to verify vendor statements. Invoices signed by unauthorized personnel **will be returned** for verification.
- Departments **should use** open POs for “not-to-exceed” or monthly-payment contracts to enable encumbrance at contract execution.

E. Invoices

- Vendors **must send** invoices directly to Accounts Payable. If the invoice, packing slips, and PO **agree**, A/P **will process** for payment.
- If any invoice is sent to a department, the department **shall code** it to the PO and **immediately forward it** to A/P. Accounting **will notify** the vendor to change the remit/billing address to Finance.
- Invoices or statements for purchases not requiring a PO **shall be** account-coded and **signed** by the Department Director.

F. Prompt Payment Act

- The City **shall comply** with [Texas Prompt Payment Act](#) (30-day payment from delivery **or** invoice, whichever is later) to avoid automatic interest.
- Departments **shall send** all invoices and receiving documents to A/P **no later than the next working day** after receiving them to ensure timely processing.

VIII. Purchase Requisitions

- A requisition **is** the formal electronic request in the City’s financial system. Requisitions **shall be approved**, and a PO **must be issued before** placing any order.
- Requisitions **originate** in the using department and **shall be prepared** far enough in advance to allow Finance and the vendor to perform their work.

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A. Quote Summary Sheet/Requisition

1. Purchases $\$1,000 \geq$ and $< \$3,000$

- The Department Director **shall submit** an electronic requisition to Finance and **will obtain** at least **two** telephone/email quotes shown on the Quote Summary sheet to be **emailed** to Finance.
- The form **should include** date; description/quantity; required delivery date and destination; account number/balance; vendor names/numbers; **F.O.B. destination**; person receiving quotes; and required authorizations.

B. Written Quotation/Requisition

1. Purchases $\$3,000 \geq$ and $< \$100,000$

- The buyer shall obtain at least three (3) written price quotations. When certified small or disadvantaged businesses recognized under current State of Texas programs (including the Veteran-Owned/VetHUB program) are reasonably available for the commodity or service, the buyer shall make good-faith efforts to solicit quotations from such vendors. The absence of certified vendors shall not delay procurement.
- The buyer **shall originate** the electronic requisition and **email** the written quotations and Quote Summary to Finance.
- The request **should include** vendor name/address/number; item description; quantity; total price including delivery; required delivery date; account number/budget balance; date/division/department authorizations; special terms/conditions; delivery location; quote validity date; representative name; and type of purchase.

C. Processing

- Departments **are responsible** for not overspending budgets. If insufficient funds exist, the requisition **will be denied**. The Director **may** withdraw or **may** submit a budget transfer to the CFO; upon CFO funding approval and City Manager approval, Finance **will reconsider** the requisition.
- Finance **will attempt** to process requisitions within **five (5) working days**. Departments **must plan** to minimize rush orders and **should submit** requisitions in time for Finance approval and PO issuance prior to need.
- Finance **will assign** a PO number and **return** the original PO to the user department; the department **will file** a copy numerically and **provide** the original to the vendor. If a vendor email is provided to Finance, then Finance will electronically send the Purchase Order to the vendor. Finance's PO copy **will be filed** in A/P until paid or voided.

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- Upon receipt of items, the Director or designee **must forward** all signed and dated receiving documents to the Accounting Specialist. Finance's PO copy **will be attached** to invoices/receiving/statements as payment support.

D. Signature Authority

- Requisitions **shall be prepared** by the requesting department and **approved** by the Department Director or authorized representative.
- Each Department Director **shall submit** a **Signature Authority Form** to Finance and **shall notify** Finance immediately of any changes by submitting an updated form. Finance **will maintain** a master signature file.

E. Purchase Order Cancellations

Upon Director/designee request, the **CFO may cancel** a PO **if merchandise has not shipped**. Finance **will void** the PO in the system.

IX. Competitive Bids

A. Instances When Competitive Bids Are Not Required

The City **does not require** competitive bids for the following, which **may be acquired** by PO or contract:

1. High Technology Procurement

With Finance's prior approval, departments **may use** Request for Proposals (RFP) to procure high-technology goods/services. Specifications **should use** performance standards and **should list** evaluation factors and weights.

Vendors **may submit** differing solutions to meet performance. After receiving the proposals, the Director **may negotiate** with any vendor(s) submitting feasible proposals. ([LGC §252.001\(4\); §252.021\(c\)](#))

2. Emergency Situations

An emergency purchase shall be limited to those unforeseen situations in which immediate procurement of goods or services is necessary to protect life, health, safety, City property, or the uninterrupted delivery of essential public services, and where the delay required by standard purchasing procedures would cause harm or significant disruption.

Emergency purchases may be authorized by the City Manager or, in their absence, the Acting City Manager. If neither is available, a Department Head may initiate procurement of the minimum goods

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or services required to stabilize the situation, provided the City Manager and Finance Department are notified as soon as practicable.

Within one (1) business day following the emergency purchase, the Department shall submit an Emergency Purchase Justification Form to Finance along with any quotes, invoices, or receipts.

Finance shall assign a purchase order number upon receipt of the documentation and ensure that the expenditure is recorded in accordance with the appropriate fund and account classification.

Any emergency purchase exceeding the City Manager's purchasing authority shall be reported to City Council at the next regular meeting for ratification in compliance with [Texas Local Government Code §252.022\(a\)\(2\)](#).

Emergency purchases shall be charged to existing budget lines when possible. If no account exists, Finance shall coordinate a budget amendment or interdepartmental transfer consistent with policy FIN-1008.

Finance shall maintain a log of all emergency purchases for audit purposes and shall review such events annually to identify opportunities to prevent or mitigate future emergencies through improved planning or preventive maintenance.

Departments must take reasonable steps to avoid emergencies resulting from lack of planning, stock depletion, or deferred maintenance. Emergencies caused by negligence or avoidable delay shall be subject to administrative review.

3. Personal Services

Personal services include (non-exclusive): office machine maintenance, equipment rental, janitorial services, pest control, travel, food, subscriptions, testing, and certain auto repairs. The Director **shall submit** proposed personal-service purchases to Finance for review. The CFO **may require** competitive bidding at their discretion. ([Gov't Code §2171.053](#); [LGC §252.022](#))

4. Professional Services

Professional services (as defined by law) **shall not** be procured by competitive bids. Selection **shall be** based on competence/qualifications for a fair and reasonable price, with fees consistent with professional guidance and any legal maximums. ([Gov't Code §2254.002-.003](#))

The City Manager/Director **shall select** the most qualified provider and **attempt to negotiate** a fair, reasonable contract. If negotiations fail, the City **shall end** negotiations and **proceed** to the next most qualified, repeating as needed until agreement. The City Manager **will execute** the contract.

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5. Work Paid for by the Day

Daily paid work **is exempt** from competitive bidding. ([LGC §252.022](#))

6. Purchase of Land or Right-Of-Way

Exempt from competitive bidding. ([LGC §252.022](#))

7. One Source Items

Items available from only one source (patents, copyrights, utilities, captive parts, exclusive-distribution library materials, nonprofit museum/park/zoo management services) **are exempt**. ([LGC §252.022](#))

8. Rare Library Materials

Exempt; items available from multiple sources **shall follow** regular purchasing. ([LGC §252.022](#))

9. Services by Blind/Severely Disabled Persons

Exempt. ([LGC §252.022](#))

10. Developer Participation Contracts

Council **must approve** > \$1,000 **in advance**. ([LGC §212.071](#); [§252.022](#))

11. Interlocal Contracts

Council **must approve** interlocal agreements. (Gov't Code Ch. 791; [LGC §252.022](#))

a) Cooperative Purchasing

The City **may purchase** through approved cooperatives. The user department **shall prepare** cooperative and City PO documentation; authorization for payment **shall include** digital approvals and the cooperative contract number. The City **will obtain three quotes** to compare cooperative pricing (unless the cooperative award itself provides the best value rationale in the documentation).

b) State Purchasing/Cooperatives

The City **shall adopt** a Resolution to participate. Items purchased under state/cooperative contracts **satisfy** state competitive requirements. Finance **will verify** availability on such contracts. The City **will obtain three quotes** to compare pricing. The user department **shall prepare** PO documentation; Finance **will receive** supporting paperwork; authorization **shall include** digital approvals and contract numbers. ([LGC §271.083](#))

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c) Information and Communication Technology (ICT) Cooperative Contracts Program

Departments **may purchase** ICT commodities/services via the online state catalogue or RFP. **All ICT purchases must be approved by the CFO.** The City **will obtain three quotes** to compare cooperative pricing.

12. State Catalogue Purchase

Qualified ICT vendors publish catalogues; purchases **shall include** digital approvals and proof of catalogue eligibility. ([LGC §252.022](#))

13. Media Advertising

A PO **is not required** for advertising (other than legal notices) in the City's official newspaper. ([LGC §252.022](#); [Gov't Code §2051.041](#))

B. Contested Bids and Protests

1. Objections

- Objections to **advertising or specifications must be filed in writing** with the City Secretary **on or before** the bid submission deadline.
- All other objections, including **award objections, must be filed** with the City Secretary **no later than noon on the third business day** after Council award. Written objections **must include** protestor name/address (and represented vendor, if different); bid number/item; grounds and supporting documentation.
- Failure to strictly comply **will result** in waiver of objections.

2. Responses

The City Manager, in consultation with the CFO and City Attorney, **will prepare** a written response **within ten (10) days** of receipt, including information on the right to appeal to Council. Within that period, the City **will**:

- Allow an **informal conference** on the protest's merits.
- **Advise** potential vendors of a pending protest (if filed prior to award); and
- **Allow** a request for reconsideration if new data emerges or a legal/regulatory error is identified.

X. Sole Source Purchases

Sole source purchases **may be used** when appropriate but **must be strictly controlled** given their exception to competition.

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A. Instances

- **No competitive product** (one-of-a-kind, patented, copyrighted, unique artwork).
- **Regulated/natural monopoly** (utilities, sole quarry, etc.).
- **Component of an existing system** is available from only one supplier.

B. Procedures

- If a department determines a sole source, it **must attach** a statement to the PO **documenting** efforts to contact vendors and **establishing** that only one practical source exists **or** stating the reasons only one source exists.
- Finance **shall review** sole source documentation for sufficiency before PO issuance.

XI. Payment Requisitions

Payment requisitions **are used** when obtaining a PO is **not feasible or possible**.

A. Authorized Purchases

- **Payroll-related liabilities; jury duty payments; refunds; registrations/certifications; media advertising; claims against the City; and other payables** (e.g., Comptroller remittances—sales tax, court fees; municipal court collection fees).
- Any deviation **shall be approved in advance** by the CFO. All other purchases **shall be handled** via PO.

B. Procedures

1. Using Department

- The using department **shall prepare** the requisition **accurately and completely**, including:
 - Preparer name; vendor name (one vendor per requisition); vendor address/city/state/zip; date of request; vendor number (or request set up by Finance with completed vendor form); required check date (A/P processes **Fridays**; off-cycle checks **must be approved** by the Director and CFO in advance);
 - Item description; account number; amount; total check amount; purpose/justification.
- Payment requisitions **must be received** in A/P by **Wednesday 5:00 p.m.** for inclusion in the Friday check batch. **Special cycles will not be considered** for missed cut-offs due to administrative oversight.
- Supporting documentation (invoice, registration, etc.) **must be stapled** to the requisition. Any originals that must be mailed with the check **must be paper-clipped** or pre-stuffed in an envelope.

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- Improper or incomplete requisitions **will be returned** without processing.
- Requisitions **need not be typed** but **must be legible**.

2. Routing the Payment Requisition

- The Department Director or designee **must sign** for approval.
- The requisition **shall be submitted** to Accounts Payable **before Wednesday at 5:00 p.m.**
- The CFO or designee **must sign** for approval.

XII. Compliance with Laws

- The City **shall comply** with all applicable federal, state, and local laws, regulations, and grant requirements governing municipal procurement. Where this policy conflicts with governing law, **governing law shall prevail**.
- Departments **must ensure** all solicitations, evaluations, awards, contracts, change orders, and payments **conform** to the statutes and rules listed below, as applicable to the purchase.

A. Texas Statutes and Rules

- **Texas Local Government Code (LGC)**
 - **Ch. 252** – Purchasing and Contracting Authority of Municipalities (including §252.002 supremacy; §252.021 formal bidding; §252.044 evaluation/bonding; §252.048 change orders; §252.050 CO bidding; §252.0436 vendor indebtedness).
 - **Ch. 271** – Public Property Finance/Cooperative & Construction (including §271.083 cooperatives; §271.113 best-value methods; §271.901 tiebreakers; §271.905 local-bidder 5% preference).
- **Texas Government Code**
 - **Ch. 2254** – Professional Services Procurement Act (qualifications-based selection; no competitive bids).
 - **Ch. 2253** – Public Work Performance/Payment Bonds.
 - **Ch. 2258** – Prevailing Wage Rates.
 - **Ch. 791** – Interlocal Cooperation Contracts.
 - **§2252.908** – Disclosure of Interested Parties (Form 1295; Texas Ethics Commission).
- **Texas Health & Safety Code §361.426** – Preference for Products of Recycled Materials.
- **Texas Labor Code §406.096** – Workers’ Compensation Insurance on Public Works.
- **Texas Government Code §2051.041** – Public Notices (legal advertising).

B. Federal Requirements (When Federally Funded)

- **2 CFR Part 200 (Uniform Guidance)** procurement standards (including micro-purchase, small purchase, sealed bids, competitive proposals, noncompetitive proposals; cost/price analysis; suspension/debarment checks; domestic preference when applicable).

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- Any **program-specific** requirements (e.g., infrastructure/BABA domestic content, Davis-Bacon prevailing wages, HUD/FTA/FAA/DOJ terms) **must be incorporated** when funding requires.

C. Ethics, Conflicts, and Disclosure

- Employees and officials **must comply** with all City ethics rules and **must disclose** conflicts pursuant to [LGC Ch. 176](#) and [Form 1295](#) requirements where applicable.
- Vendors **must comply** with disclosure, anti-kickback, gratuity, and confidentiality provisions contained in this policy and in contract documents.

D. Recordkeeping and Monitoring

- The City Secretary **will maintain** procurement records (bids and contracts) in accordance with the City's Records Management Program and applicable law.
- Finance **shall monitor** changes in law and **shall recommend** updates to this policy. Departments **must follow** any interim legal guidance issued by the City Attorney or Finance to maintain compliance.

E. Supremacy and Severability

- If any provision of this policy is found inconsistent with governing law, that provision **shall be applied** only to the extent permitted by law; all other provisions **shall remain** in full force and effect.