



# Metropolitan Government of Nashville and Davidson County - Finance Dept. Policy: Purchasing Policy

**Effective Date:** February 2009

**Revision Date:** July 1, 2026

**Policy Number:** 8.1

**Sponsor:** Purchasing and Contract Management

## Purpose

To establish uniform guidelines governing Metro purchasing practices that conform to the Metropolitan Code and state procurement regulations.

## Definitions

**Oracle ERP Software Solution (Oracle):** The enterprise-wide financial system.

**iProcurement:** A role within Oracle for submitting a purchase or contract request, securing Metro approvals, soliciting offers, receiving proposals/bids more than \$50,000 resulting in a contract and/or purchase order. Purchase requests in the iProcurement role will verify the availability of funds in Oracle. Purchase orders issued with the iProcurement role will encumber the funds in Oracle.

**Contract:** A long-form agreement that is the preferred method to formally establish the terms and conditions under which a purchase order should be issued. A contract requires approval of the Purchasing Agent, Finance Director, and the Department of Law.

**Credit Card:** A payment tool issued under the oversight of the Department of Finance's Office of the Treasurer. It is not a delegated purchasing card but a credit card. Appropriate use of this payment is governed by Finance Department Policy 3.6.

**Direct Voucher:** A payment method used to process a vendor invoice in the absence of the issuance of a purchase order within the procurement system.

**Purchase Order (PO):** A short form agreement that is the appropriate method for making purchases against a contract. A PO should be issued prior to placing an order for goods or services.

## General Policies

This purchasing policy is governed by the Metropolitan Procurement Code and applies to all purchases regardless of the procurement or payment method. The delegated departmental purchasing authority is capped at \$50,000.00.

The following chart reflects the permitted purchasing levels established by State of Tennessee laws and section 4.12.010 of the Metropolitan Code of Laws:

| Dollar Amount of Purchase | Requirements                                                                                                                                                                                                                                      |
|---------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Up to \$4,999.99          | A minimum of one written quotation is required.                                                                                                                                                                                                   |
| \$5,000.00 - \$50,000.00  | A minimum of three written quotations is required.<br>Where availability exists, at least one of the three written quotes shall be solicited from a certified small business enterprise (SBE) or service-disabled veteran owned enterprise (SDV). |
| Above \$50,000.00         | Competitive sealed bids or request for proposals.                                                                                                                                                                                                 |



## METROPOLITAN GOVERNMENT OF NASHVILLE & DAVIDSON COUNTY

The dollar thresholds listed above shall be inclusive of the total project cost up to a maximum term of 60 months.

The required documentation listed in the chart above is required by State & Metro law regardless of the purchase method used to make the purchase.

### Applicable Local, State or Federal Regulations

Title 12, Chapter 3, Tennessee Code Annotated

Metro. Charter § 8.103: The director of finance shall be responsible to the mayor for the administration of the financial affairs of the metropolitan government.

Metro. Charter art. 8, § 8.104: The budget officer, with the advice and assistance of the chief accountant, shall write, revise and maintain a proper standard procedure instruction manual to be followed by all officers, departments, boards and other agencies of the government to ensure uniform accounting and budgetary procedures.

Metro. Charter art. 8, § 8.105: The chief accountant shall maintain a general accounting system and such cost accounting records as shall be required by the director of finance.

Metro. Code, Title 4.

### Associated Policies

Finance Department Policy 1.17 Direct Payment Vouchers

Finance Department Policy 3.6 Credit Card

### Effective Date

This Policy Statement shall become effective upon issuance and shall be applied to all Metro agencies and departments.

### Approvals

#### Approval of the Director of Finance

I hereby approve this Policy Statement of the Department of Finance and as such agree with and authorize the actions necessary to implement its requirements.

Jenneen Reed

Director of Finance

**Date:** July 1, 2026