

City of Los Alamitos Administrative Regulation

Regulation:	5.02	DocuSigned by:  Chet Simmons, City Manager
Title:	Purchasing Authority Thresholds Policy	
Authority:	City Manager per LAMC Section 2.60	
Date:	August 4, 2025	
Revised:		

1. INTENT AND PURPOSE

The purpose of this policy is to summarize the purchasing procedures and establish a list of position titles authorized to procure goods and services and their respective signature approval limits as allowed by Los Alamitos Municipal Code Section 2.60, Purchasing System.

2. APPLICATION

This policy applies to all purchases conducted by staff for the City of Los Alamitos.

3. AUTHORITY

All other procurement policies outlined within the City Charter and the Los Alamitos Municipal code must be followed in conjunction with this regulation.

Section 2.60, Purchasing System prescribes the following purchase requirements:

Supplies, Equipment, and Services		
Allowed Expenses	Threshold	Approval
Cal-Card Purchases (§2.60.130)	Less than \$2,500	Department Director
Purchase Order Required	More than \$2,500	
Open Market (§2.60.080)	Up to \$10,000	Department Director
Informal Purchases (§2.60.090)	Up to \$10,000	Department Director
	Up to \$40,000	Assistant City Manager
	Up to \$100,000	City Manager
Professional Services (§2.60.150)	Up to \$100,000	City Manager
Formal Purchases (§2.60.100)	More than \$100,000	City Council
*The Budget Standing Committee must be notified of all purchases over \$80,000		

- **Cal-Card:** Purchases of supplies and equipment can be purchased by any city department that maintains a city-issued credit card and may make purchases with such credit card of less than \$2,500. (§2.60.130).

- **Purchase Order:** A purchase order is required for any total purchase of \$2,500 or more. LAMC 2.60.020 defines a purchase order as a written authorization by the issuing party for the recipient to provide labor, materials or services for which the issuing party agrees to pay.
 - A Purchase Requisition Form is required to open any purchase order. This is meant to standardize the Purchase Order process and enhance the workflow of all department interactions with the Finance Department.

In addition to the required Purchase Requisition Form, the following types of backup material must be submitted for purchases of over \$10,000. Backup materials prove that the purchasing policy was followed.

- A minimum of three (3) quotes, contracts, or emails explaining the services that will be provided. No vendor signatures are required.
 - Purchase Order Agreement: Simplified agreement for one-day events and purchase of supplies. Requires signatures from all parties.
 - Full Contract: Refer to Administrative Regulation 1.16, Contract Approval.
- **Open Market:** Purchases of supplies, equipment, or non-professional services up to \$10,000 may use the Open Market. (§2.60.080)
 - **Informal Bidding:** Any purchases that are more than \$10,000 but less than \$100,000 are Informal Purchases. Purchase order required. (§2.60.090)
 - **Budget Standing Committee Notification:** Any purchase that exceeds \$80,000 but is less than \$100,000 (§2.60.150(b))
 - **Formal Bidding:** All purchases above \$100,000 must follow formal bidding procedures and receive City Council approval. Purchase Order required. (§2.60.100)

4. **AUTHORIZED DESIGNEES AND LIMITS (§ 2.60.050)**

All procurements must have written authorization from City Council and/or from one of the authorized designees listed below, based on the total dollar amount of the intended purchase:

Duly Authorized Position	Authorization Limit
City Manager	\$ 100,000
Assistant City Manager	\$ 40,000
Department Director	\$ 10,000

5. EXCEPTIONS

Exceptions are the following routine expenses appropriated by the adopted budget: payroll, employee benefits, and payroll related expenses; power, water, gas, cable, and telephone utilities; payments to other government agencies; and debt payments.