

AN ADMINISTRATIVE REGULATION
ESTABLISHING A DISCIPLINE POLICY FOR
IMPROPER USE OF THE CITY'S PROCUREMENT POLICY

Section 1. Purpose

The City needs a discipline policy for employees who do not follow the City's adopted Procurement Policy, Chapter 3.20 of the Hobbs Municipal Code. There have been excessive instances of purchases without obtaining a Purchase Order ("PO") or authorization for the purchase.

Section 2. Procurement Policy

All employees are required to make purchases according to the City of Hobbs Procurement Policy, attached hereto and incorporated herein.

Section 3. Procedure

All requests for purchases that require a purchase order must be made electronically to obtain a PO **prior** to making the purchase. The employee must provide the vendor the PO number in addition to their name. If the vendor does not invoice the purchase with the name of the employee making the purchase and the City-issued PO number, the employee will face disciplinary action unless the employee can show proof that the information was provided to the vendor and the vendor is the one that failed to include the information.

Employees requesting blanket POs are responsible for monitoring the purchase order dollar limit. If additional funds relating to a particular PO are needed, the Finance Department must be contacted to amend the dollar amount **prior** to continuing to reference the PO when conducting business with vendors.

Section 4. Discipline

If an employee fails to obtain a City-issued PO or does not provide their name; or if overages result on a blanket PO, the employee will face the following discipline:

- 1st incident** – Written Reprimand
- 2nd incident** – The cost of the purchase to be withheld from the employee's pay
- 3rd incident** – 5 Days Off Without Pay
- 4th incident** – Termination


Eric Honeyfield, City Manager

6-9-11
Date