Small purchases make a big difference for Lincoln.

Overview

87% of Nebraska businesses been negatively impacted by the recent outbreak of the coronavirus, reporting negative impacts on both revenue and employment.

Local purchasing can leverage as much as a 1.5 times economic impact. In other words, purchasing locally adds value, because jobs, capitol, and supply purchase all stay right here in Lincoln. This can be done by implementing a micropurchasing policy, encouraging city agencies to “buy local” for purchases under $10,000.

Micropurchasing Policy

Our municipal code can better support Lincoln businesses. Such a change would:

1. Create a “micro-purchasing” category of purchases under $10,000.
2. Encourage micro city purchases to go to local businesses
   a. Micro purchases must still be of reasonable cost, determined by the purchasing division
   b. Micro purchases would not be subject to the current requirement of obtaining three competitive quotes.

Such purchases are currently typically made on a P-card. A review of P-card purchases found a significant number of non-local purchases. Annually, the city makes approximately $1.4 million dollars of micro purchases. Purchasing has an existing list of local businesses for reference.

Impact

If just HALF of our micro purchases are made locally, it will direct $700,000 of spending to local businesses, with an economic impact of over $1 MILLION DOLLARS.

Process

The city council may use their authority to create a micropurchasing option. The Mayor would then implement an administrative regulation to prioritize local purchases.