

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 micropurchasomg option. The Mayor would then implement an administrative regulation to prioritize local purchases.