

PURCHASING AND PROCUREMENT POLICY

The intent of this policy is to maximize the use of the library's funds by employing prudent and professional acquisition and procurement practices to achieve the best value for obtaining the library's goods and services.

The purpose of this policy is:

- To provide a responsible method of accountability;
- To maintain budgetary control over purchases and service contracts;
- To assure organizational efficiency; and
- To secure the desired quality at the best possible cost, consolidating purchases in bulk quantities when practical to maximize economic benefit.

Exclusions:

This policy does not apply to the following:

- Real property;
- Insurance;
- Utility services;
- Dues/memberships in trade or professional organizations;
- Subscriptions for periodicals;
- Advertisements;
- Postage;
- Employee benefits;
- Library collection materials;
- Legal services; and
- Fees associated with job-related travel, seminars, registrations, and training.

Responsibility

The Executive Director has the authority to approve or disapprove Purchase Requisitions or Purchase Orders according to the guidelines outlined herein. Both the Executive Director and his/her designees are responsible for obtaining bids and quotations, following the guidelines herein. The Executive Director and his/her designees must check all expenditures against the budgeted line item amounts and balances remaining to avoid cost overruns. The Executive Director, with the Assistant Director for Finance, will be responsible for handling all purchasing procedures.

All bids will be a matter of public record. The Library Board of Trustees reserves the right to reject any or all bids prior to purchase, according to the best interests of the library.

Purchasing Process

The following process will apply to purchases and service contracts designated for the library. At no time is it acceptable to divide a purchase or manipulate delivery of a purchase in a way that circumvents the intent of this purchasing policy or applicable law. For quantity purchases and frequently used vendors, a vendor list should be kept and discount information should routinely be requested. Purchase Requisitions and Purchase Orders will be used to obtain all Library equipment, furniture, and supplies.

Purchase Orders are documents prepared by the buyer (Executive Director, Associate Director, Assistant Director, or designee), and sent to the vendor. A copy of the executed PO should be attached to the statement or invoice, and both items should be submitted to the Assistant Director – Finance for placement in line for payment. The completed form contains the item description, budget number, quantity, and agreed-upon price from the vendor. PO numbers should be generated with the following guidelines:

PO Numbers (ex. A20171004CG1):

Digit 1:	1 st letter of department (see below)
Digits 2-5:	4 digit year
Digits 6-7:	2 digit month
Digits 8-9:	2 digit date
Characters 10-11:	2 initials of person placing order
Digit 12:	No. of PO issued for the day

Department Designations:

A-Administration

B-Argenta

C-Main Branch - Children's Department

D-Digital Services

E-Electronic Resources

M-Marketing

P-Main Branch – Adult Department

T-Technical Services

Bids and Quotations

Purchases of \$0.01 - \$1000.00:

These purchases are normally routine point of sale transactions at local businesses, made with general or assumed approval of Executive Director and oversight by Manager (i.e., materials for library programs). These items are budgeted.

- Multiple quotations not required
- Purchase orders not required
- Vendor lists established and authorized signers designated

Purchases of \$1000.01 - \$3000.00:

These purchases are initiated by Assistant Director or Manager, with knowledge or instruction of Executive Director.

These items are budgeted.

- Multiple quotations not required (but are preferred)
- Purchase Order required
- Vendor lists established and authorized signers designated
- Bulk (quantity) discounts are routinely requested – purchasers should obtain quotations for bulk discounts for supplies routinely used by library
- Blanket orders cover specific items to be delivered over a specific period of time (six months or one year) to take advantage of quantity discounts and avoid multiple reorders of routinely used items

Purchases of \$3000.01 - \$10,000.00:

These purchases are initiated by Assistant Director or Manager in cooperation with and full knowledge of Executive Director.

These items are budgeted. Includes aggregate single items (i.e., 10 computers)

- Two or more *written, catalog or telephone* quotations required
- Vendor lists established and authorized signers designated
- Quantity discounts are routinely requested
- Comparison options presented and discussed with Executive Director
- Purchase Order required

Purchases of \$10,000.01 - \$20,000.00:

These purchases or contracts are made by the Executive Director, or by the Assistant Director/Manager in cooperation with and full knowledge of Executive Director.

These items should be budgeted, and if not, must have Board approval to secure funding from another budget line item or account.

- Three or more *written* quotations or proposals required
- Comparison options presented and discussed with Executive Director
- Purchase Order required
- Director will sign all Contracts

Purchases and/or Contracts \$20,000.01 and Above:

These purchases and/or contracts to provide services are required to be made under the formal bid/quote process; detailed written quotes or bids will be obtained. (A quote is the service provider's estimation of costs. A bid is an offer of service to someone for a price.)

Purchases/service contracts will be made in cooperation and full knowledge of the Executive Director and Library Board of Trustees. Items should be budgeted, and if not, must have Board approval to secure funding from another budget line item or account.

Bid process:

- Formal bid, or Request for Proposal must be published in a newspaper of general circulation and contact appropriate vendors
- Three or more bids must be obtained*

- Bids will be mailed or delivered in sealed envelope to the Library; faxes/open bids will be accepted and placed in a sealed envelope
- A bid opening will be held at Library on the day the bid closes
- Approval by Board of Trustees is required
- Purchase order or contract is required

Manager must retain the following:

- Notice of RFP publication
- All submitted bids
- Justification of why the awarded bid was chosen

*NOTE: If it is not possible or reasonable to obtain the required number of bids or quotations, the reason is included in the documentation.

Waiver of Conditions – In the exercise of its informed discretion the Board of Trustees retains the right and authority to waive any and all of the specific provisions contained above on a case-by-case basis and based on sound business decisions.

Evaluation of Bids, Quotations and Proposals – A purchase order or contract is awarded to the most acceptable and responsible bidder, in terms of overall suitability (e.g. quality, delivery, terms, service, and life expectancy—in addition to price and discount.) The Board of Trustees reserves the right to reject any or all bids and to accept the bid that appears to be in the best interests of the district. All bids are a matter of public record.

Service Contracts

A service contract consists of an agreement between the service vendor and Library for the former to provide specified services integral to maintaining the Library. Contract provisions will include showing proof of contracting party's carrying Workmen's Compensation coverage, a clause holding the Library harmless for damages or injuries resulting from provision of services, and a Contractor's Certification of Compliance (where applicable). The contractor must also agree to provide monthly, itemized bills for services so that expenses can be tracked along the course of the year.

Contracts of a greater term than one year may be permitted if the contract results in an overall savings to the Library and such multi-year contracts would include an annual opt-out or cancellation provision in the event the necessary funds were not budgeted in succeeding fiscal years.

All contracts entered in compliance with this policy will be reviewed ninety (90) days prior to termination or renewal for the purpose of determining acceptable performance, financial considerations, competition, and other factors that would inform a decision to continue the contractual relationship.

Adopted: October 4, 2017

Approved: CG