

Olean Public Library Purchasing Policy

Adopted 2/19/2015; amended _____

1. PURPOSE

In order to comply with New York State General Municipal Law governing the purchase or lease of products and services and to provide a system for their competitive procurement in accordance with generally accepted auditing standards, the Board of Trustees of the Olean Public Library has adopted the following policies and procedures.

2. PROTOCOLS

The Library shall act to procure products and services at the lowest possible cost, consistent with its needs and with regard to durability, performance, quantity, delivery, and service.

Unless otherwise provided for in this policy, the Library Director, Assistant Director or another designated by the Board of Trustees, shall have the authority to purchase or lease products or services provided that the amount budgeted for any expense line of the annual budget shall not be exceeded. Purchase orders must be created for purchases of \$1,000 or more and must be signed by the Library Director or their designee.

Purchases above an established dollar amount threshold or purchases for which there are not sufficient budgetary appropriations shall require prior approval by the Board President and shall be reported to the Board of Trustees. The Board of Trustees, by formal resolution, shall authorize the funds for these purchases through an appropriate transfer of funds from the capital reserve fund to the operating budget or through a bank loan or through a bond issue.

Further, with the few exceptions described below and those purchases that require immediate action in order to secure the safety of the staff and public, all purchases of \$1,000 or more require advanced planning and the proper preparation of a purchase order.

3. BIDDING PROCEDURES

With the understanding that purchases of library materials are often available through statewide or national discount programs for libraries, the Board of Trustees establishes the following policy related to bids.

Library Materials: Books, magazines, audiovisual materials, online databases, and other such materials intended for patron use are generally purchased from vendors offering volume discounts or vendors offering a state contract. Materials available only from the publisher are generally purchased with little or no discount.

Purchases of library materials generally are not subject to competitive bidding regulations.

Other Purchases: The following schedule is for purchases involving the acquisition of materials, supplies, or equipment for which there are stated prices and sufficient budget appropriations. Catalogs or price lists may be substituted for verbal, telephone, or written quotes. If the item is offered under state contract and the price is equal to or less than the state contract price, then no quotes are required.

- No Quotations: Materials and services where the aggregate amount involved in any one transaction does not exceed \$2,500. The Library Director may approve these purchases without securing competitive quotations and bids if the price quote is considered to be reasonable and terms and delivery dates meet the needs of the Library.
- Telephone Quotations: Materials and services that range in price from \$2,501 to \$5,000 require verbal competitive bidding. The bids may be obtained through telephone quotations. A minimum of three (3) documented quotes must be attached to the purchase order.
- Written Quotations: Materials and services that range in price from \$5,001 to \$20,000, and contracts for public works that are less than or equal to \$35,000, require written competitive bidding. A minimum of three (3) written quotes on business stationery must be attached to the purchase order.
- Formal Bid Process: All contracts for public works (for example, construction) in excess of \$35,000 and purchase contracts (for example, equipment) in excess of \$20,000 must be awarded, after advertising for sealed bids, to the lowest responsible bidder who furnishes the required security.

4. EXCEPTIONS TO THE COMPETITIVE BID PROCESS

Emergency: emergencies arising from an accident or other unforeseen occurrence, or situations in which public buildings, property, or occupants are at risk, or situations which require immediate action that cannot await competitive bidding.

Sole source: goods or services for which there is no substantial equivalent or which are provided by only one source.

Professional service: services which involve specialized expertise or knowledge such as architects, engineers, land surveyors, attorneys, insurance brokers.

Government contract: state contracts which are regulated by the Office of General Services.

"Piggybacking": may purchase goods or contract for services through a political sub-division (for example, the county) if available from, and permitted by, that political sub-division.

5. METHOD OF DETERMINING WHETHER PROCUREMENT IS SUBJECT TO COMPETITIVE BIDDING

First, the Library will determine if the proposed procurement is a purchase contract or a contract for public work. If the procurement is either a purchase contract or a contract for public work, then the Library will determine whether the amount of the annual procurement is above the applicable monetary threshold as set forth above. The Library also will determine whether any applicable exceptions to the competitive bidding requirements exist.

6. CONTRACT COMBINING PROFESSIONAL SERVICES AND PURCHASE

In the event that a contract combines the provision of professional services and a purchase, the Library, in determining the appropriate monetary threshold criteria to apply to the contract, will determine whether the professional service or the purchase is the predominant part of the transaction.

7. PROCUREMENT PROCEDURES

All purchases of \$1,000 or more shall be accompanied by a purchase order except standing orders, contracted services (contract), and travel reimbursement.

Purchases outside ordinary operation and maintenance shall require the approval of the Library Director or designee.

Packing slips, receipts, or other tangible documentation shall verify receipt of all purchased items. Such verification shall be attached to the appropriate purchase order, if necessary, and invoice.

All invoices and pre-payments shall be approved by the Library Director or designee. Approved invoices and pre-payments are presented for approval by the Library Board. Payments are made monthly upon approval of the Board of Trustees except where the due date would result in penalty.

8. Purchases made by staff on behalf of the Library

All purchases made using the Olean Public library credit cards or placed on account are required to be done tax exempt. Receipts for purchases must be returned to the business office. The receipt should be signed by the purchaser and should include the budget line the expense(s) should be applied against. The business office maintains a list of stores and websites with whom we have a tax-exempt account.

The Library maintains a petty cash fund in the amount of \$100. If a purchase for library supplies is made by way of an employee's personal money, in order to receive a cash reimbursement, the employee must submit a receipt to the business office. If the receipt contains sales tax the employee will not be reimbursed for that. The receipt should be signed by the purchaser and include the budget line the expense should be applied against.

If the purchase made by the employee exceeds the petty cash limit or will exhaust most of the petty cash fund, the expense will be entered into Sage, and a reimbursement check will be approved at the next board meeting.