



## **VPL (BUS)-002 PROCUREMENT POLICY**

### **1.0 POLICY**

It is the Policy of the Vestal Public Library to procure materials, supplies and services necessary for the fulfillment of the library's mission through fair and open competition and by the selection of best value to the library, in accordance with General Municipal Law §104-b.

### **2.0 APPLICABILITY**

This procedure applies to the Trustees, Director, Business office, Department heads, staff and volunteers of the Vestal Public library when using library funds to procure materials, supplies, or services.

### **3.0 REFERENCE DOCUMENTS**

- 3.1 VPL (Bus)-001 Use of Petty Cash for local purchasing
- 3.2 VPL (Bus)-006 Use of Library Credit Cards
- 3.3 VPL (Bus)-008 Directory's Discretionary Fund

### **4.0 RESPONSIBILITIES**

#### **4.1 REQUESTOR/PROJECT LEAD**

- 4.1.1 Requestor or project lead (R/PL) has the responsibility to assess and specify the item needed to be procured.
- 4.1.2 The R/PL will find potential sources for the item and do a competitive price analysis of potential sources. The R/PL will recommend the source which meets the library's needs while maximizing value.
- 4.1.3 The R/PL will affirm that the funds are appropriated and will be contained within budget.
- 4.1.4 The R/PL will obtain any required approvals (Director, Department head).
- 4.1.5 The R/PL will fill out required purchase requisition forms and assist the business office in ordering the item or follow the local procurement procedure which requires all receipts or invoices turned into the business office for processing.

#### **4.2 BUSINESS OFFICE**

- 4.2.1 The business office will work with the R/PL in filling out purchase requisition and determining if funds are available for use.
- 4.2.2 The business office will ensure that any procurement that requires board approval is held until the board meets.
- 4.2.3 The business office will process approved purchase requisitions and perform all required bookkeeping activities (entering invoices into the system, etc.).



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**4.2.4** The business office will assist the treasurer in compiling the monthly financial reports which list all purchase transactions.

**4.3 LIBRARY TREASURER**

**4.3.1** The library treasurer will monitor library financial transactions with the intent of ensuring that items being procured are justified and funded within appropriated budget lines.

**4.3.2** The library treasurer with the business office will create a monthly financial report for the board which will include all purchases. The treasurer will give the report to the board which includes a discussion of all purchases.

**4.4 DIRECTOR OR DEPARTMENT HEAD**

**4.4.1** The director or department head will oversee the execution of any procurement.

**4.4.2** The director or department head will justify the necessity of the procurement and ensure that any procurement does not exceed budgeted funds for any given appropriation.

**4.4.3** The director will support the discussion of any procurement items (need, line of budget) at the monthly board meetings.

**4.4.4** The director or department head will approve or disapprove any procurements classified as immediate need.

**4.5 BOARD OF TRUSTEES**

**4.5.1** The board will review the procurement report prepared by the treasurer at each month's board meeting.

**4.5.2** The board of trustees will review and vote on any new procurements.

**4.5.3** The board when requested will address unfunded or unappropriated requests for procurement.

**4.5.4** The board of trustees will monitor the execution of this procurement process and make corrections as required.

**5.0 PROCEDURES**

**5.1 PROCUREMENT** of any Items or services \$1,000 or greater (single purchase or combined single source) from an appropriated fund:

**5.1.1** All procurements of \$1,000 or greater must have board approval before the purchase is made.

**5.1.2** It is recommended that at least three potential vendors should be solicited either by request for quote or by catalog price comparison.

**5.1.3** The project lead will perform a cost benefit analysis.



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- 5.1.4** The project lead will ensure the procurement can be covered by the appropriated budget line item.
- 5.1.5** The project lead, director, department head or trustee will bring the procurement plan before the board. The board will discuss and vote on the proposal. If the proposal is not approved it is suggested that the board in the meeting record give rationale for disapproval.
- 5.1.6** If approved, the project lead will work with the business office to begin procurement.
- 5.1.7** The business office will record all costs in the library's bookkeeping system and will include those purchases in the monthly treasurer's report.
- 5.1.8** The board will review and vote on approval of the list of purchases at each month's board meeting.
- 5.1.9** Purchase contracts in excess of \$20,000 and contracts for public work in excess of \$35,000 are subject to the competitive bidding requirements in section 5.2.

**5.2 COMPETITIVE BIDDING REQUIREMENTS**

- 5.2.1** All purchase contracts in excess of \$20,000 and contracts for public work in excess of \$35,000 must be secured by public bid.
  - 5.2.1.1** Contracts for public work include projects for construction or reconstruction done on behalf of a public entity, as set forth by Article 8 of the NYS Labor Law.
  - 5.2.1.2** Purchase contracts include all other contracts for items and services not included in the definition of contracts for public work.
- 5.2.2** The following items are not subject to competitive bidding pursuant to §103 of the General Municipal Law: Purchase contracts under \$20,000, Public works contracts under \$35,000, Emergency purchases, Goods purchased from agencies for the blind or severely handicapped, Goods purchased from correctional institutions, Purchases under state and county contracts, and Surplus and secondhand purchases from another governmental entity. All other items shall be secured by use of either written requests for proposals, written quotations, verbal quotations, or any other method that furthers the purposes of the General Municipal Law, §104-b.
- 5.2.3** The purchaser shall determine whether it is a purchase contract or a public works contract. The purchaser shall then make a good faith effort to determine whether it is known or can reasonably be



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expected that the aggregate amount to be spent on the item or service is not subject to competitive bidding, taking into account past purchases and the aggregate amount to be spent in a year.

- 5.2.4** For purchase contracts with estimated purchase amounts in excess of \$20,000, the purchaser must obtain at least **two** written requests for proposals, written quotations, or verbal quotations. For contracts for public work with estimated purchase amounts in excess of \$35,000, the purchaser must obtain at least **three** written requests for proposals, written quotations, or verbal quotations.
- 5.2.5** The purchaser shall present the bids to the library board of trustees for approval of selection.
  - 5.2.5.1** Provided that quality and service are at least comparable, all purchases of goods and services shall be made at the lowest possible price available.
  - 5.2.5.2** Whenever any contract is awarded to other than the lowest responsible dollar offeror, the purchaser shall support the decision with documentation and an explanation of how the award will achieve savings and further the purpose of General Municipal Law, §104-b.
- 5.2.6** Once the board has accepted a bidder, the purchaser will work with the business office to prepare a contract and secure the items or services at the quoted price and in conformance with any other terms enumerated in the request for bids or quotations. The library and the successful bidder shall negotiate in good faith such terms as remain to be defined, if any, after the bidder is selected.

**5.3 PROCUREMENT** of new items or services less than \$1,000 (single purchase or combined single source) from an appropriated fund:

- 5.3.1** An item is considered new when the item is a new use item or if and a similar item has never been procured before.
- 5.3.2** Requestor obtains a purchase requisition sheet from the business office, fills out the form and returns it to the business office.
- 5.3.3** The business office will assess against the criteria in 5.3.1 if the procurement needs board approval and if sufficient funds are available in the budget line item.
- 5.3.4** The business office will compile new item procurements and submit those in excess of \$200 to the board for approvals. Procurements costing \$200 or less will not require board approval.
- 5.3.5** The board will evaluate the new items and vote to approve or disapprove. The results will be communicated to the business office by the director.



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- 5.3.6 If approved, the business office will order the item through established methods which include direct order, internet order or procurement from suppliers with established accounts with the library.
- 5.3.7 Business office will process the invoice through the library bookkeeping system and notify the requestor when the item arrives.
- 5.3.8 The business office will include the transaction in the monthly board finance report.

**5.4 PROCUREMENT** of established items or services less than \$1,000 (single purchase or combined single source) from an appropriated fund

- 5.4.1 An item is considered established when that item meets the following conditions: a.) Has been historically purchased and approved through the monthly board approval process, b.) Is being procured from an established vendor or from a catalog and, c.) Is contained within an appropriated budget line item.

**5.4.2 PREFERRED PROCESS:**

- 5.4.2.1 Requestor obtains a purchase requisition sheet from the business office, fills out the form and returns it to the business office.
- 5.4.2.2 The business office will assess if the procurement needs board approval and if sufficient funds are available in the budget line item. If both conditions are met, the business office will order the item through established methods which include direct order, internet order or procurement from suppliers with established accounts with the library.
- 5.4.2.3 Business office will process the invoice through the library bookkeeping system and notify the requestor when the item arrives.
- 5.4.2.4 The business office will include the transaction in the monthly board finance report.

**5.4.3 Local immediate purchase of operational items (example building operations, program needs).**

- 5.4.3.1 If an item is needed immediately to address a current issue, the requestor must secure authorization from the director or department head.
- 5.4.3.2 The director or department head must assess the estimated cost of the purchase against the budget line item. Written permission is not required.



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**5.4.3.3** The requester can then locally purchase the item with either petty cash obtained from the business office, library credit card (See VPL (Bus)-006 Use of Library Credit Cards), or purchasing with established accounts with local suppliers.

**5.4.3.4** Employee purchase with library reimbursement may only be used if the other methods listed above are not available or are impractical. Reimbursement of employee purchases of \$200 or less must be approved by the director or department head. Reimbursement of employee purchases in excess of \$200 must be approved by the director or department head **and** the board of trustees.

**5.5 PROCUREMENTS FROM UNAPPROPRIATED FUNDS** (Money not appropriated for a budget line item or in excess of budgeted funds)

- 5.5.1** Procurements from unappropriated funds are not allowed.
- 5.5.2** Funds (regardless of amounts) must be appropriated into a budget line item or into a capital project.
- 5.5.3** Procurements from unappropriated funds must go to the board for consideration and appropriation.
- 5.5.4** Once appropriated, the procurement should follow standard procurement procedures (section 5.1, 5.2, 5.3, or 5.4).

**6.0 DEVIATIONS**

Deviations from this process are allowed only by approval of the board of trustees.