

Wells Branch Community Library District Procurement Policy

The following policies and procedures shall be followed when the Wells Branch Community Library (“WBCL”) purchases equipment, materials, supplies, property, or services from an outside source.

I. General Policy

No Conflict of Interest. All directors, employees, or agents who participate in the selection or acceptance of a contract for equipment, materials, supplies, or services must comply with the WBCL’s conflict of interest policy. No director, employee, or agent will participate in the selection or acceptance of a contract involving a conflict of interest without the approval of the board. “Conflict of interest” includes situations in which the employee, family member, or board member has a financial interest in the business or individual selected for the contract.

No Purchase of Items for Personal Use. No director, employee, or agent who participates in the selection or acceptance of a contract for equipment, materials, supplies, or services shall use such items for personal use except for items of small value (generally under \$20) available to staff and key volunteers.

No Receipt of Gratuities. No director, employee, or agent shall solicit or accept gratuities, favors, or anything of value from contractors, potential contractors, or parties to agreements with the WBCL.

No Purchase of Items Not Approved in the Budget. No director, employee, or agent shall solicit or accept any equipment, materials, supplies, or services over \$2000 that have not been approved by the Board of Directors in the annual budget without prior approval of the board except in an emergency and then the purchase shall be ratified in an emergency meeting or at the next regular meeting.

Document Cost Analysis. The WBCL shall conduct a cost analysis and document the analysis in the procurement files in conjunction with every purchase over \$2000 or that involves federal funds, or if otherwise required by regulation or contract. The procurement file should include a justification for the lack of competition if competitive bids or offers are not obtained.

Contract with Winning Bidder. If a contract is competitively bid, the WBCL will enter into a contract with the winning bidder that specifies the equipment, materials, supplies, property, or services to be purchased and the payment terms.

Evaluate Each Contractor. The WBCL will evaluate each contractor at the completion of each contract. The evaluation will be utilized to make decisions to award future contracts.

Definitions.

*CC – Credit card

**Competitive quotes* (bids) are quotations on like items received from reputable vendors. These may be made in writing or by phone. The purchasing agent determines the best value for the cost.

**Closed bids* are quotations that include an RFP and follow an established procedure.

**Best value* is the purchase of the best products, materials, and services at the lowest practical prices within relevant statutes and policies.

**BPA—Blanket Purchase Account-* agreements with vendors that allow small purchases by individual departments without going through the normal purchasing procedures.

* *RFB—request for bid* – may be formal or informal

**RFP—request for proposal*

II. Acquisition Procedure

The WBCL will conduct all procurement transactions in a manner that maximizes opportunities, increases quality, and reduces the cost of purchase. The WBCL reserves the right to reject any bids or offers, if deemed to be in its best interest.

Pricing Procedures. One of the following procurement procedures shall be utilized for all purchases of equipment, materials, supplies, property, or services involving federal funds or involving amounts over \$2000:

- Open Market Inquiry. The WBCL will inquire in the open market to ensure an advantageous price and quality. The file shall document the inquiries made and offers received.
- Request for Competitive Quotes. The WBCL will request competitive quotes, orally or in writing, from at least three different sources. The file shall document each invitation made and offer received.
- Formal Proposal Procedure. The WBCL will solicit competitive responses through a formal bid procedure. Bids will remain sealed until the time designated in the proposal. All requests for proposals shall contain the phrase “Equal Opportunity Employer.”

Document Prices. The WBCL shall maintain files on all quotations solicited and offers or bids received and any criteria for selection. In all instances in which the lowest bid is not awarded in the contract, justification for the selection must be contained in the file.

Purchases over \$2000. The Board of Directors must approve purchases over **\$2000** that are not already approved in the annual budget unless the item is part of an emergency repair.

Bid Procedure

Purchases totaling more than \$2000 require a purchase order confirmation signed by the purchasing agent.

- \$2000-\$4,999. Competitive quotes will be solicited based on whether the potential savings is great enough to justify the time and cost of obtaining several quotes.
- \$5000-\$14,999 - competitive quotes must be secured (sought) from 2 or more acceptable vendors including HUB qualified if available.
- \$15,000-\$50,000 – RFB with written specifications must be used and 3 bids received in writing that meet qualifications. Request should be made to at least 5 sources including HUB qualified.
- Over \$50,000 – The Public bid process is required.
- Professional services and utility services are considered Exempt Purchases – Estimated cost of services will be sought via RFP or other vehicle. Letter of Engagement may include cost of services.
- Sole Source – If purchase is available from only one supplier then it is exempt from bidding.
- Cooperative Purchases – Local government may purchase through state contracts, which fulfills statutory bidding with inclusion of HUB.

Two Signatories on Checks. There must be two approved signatories on all checks except the local cash account. Any check from this account must be under \$250 or have two signatures.

III. Property and Equipment Policy

When purchasing property (both real estate and equipment), the following procedures must be followed:

Title in the Name of the WBCL. All property purchased belongs to the WBCL and title vests with the WBCL.

Property Inventory. A list of all property valued above \$5000 owned by the WBCL shall be kept showing the type of property, identification number, original cost, and depreciated value. The inventory list must be completed at the time of purchase and annually at the end of the WBCL's fiscal year.

Insurance Coverage. The WBCL will maintain insurance coverage for all property owned by the WBCL and maintain documentation of each policy in a safe deposit box.

IV. Additional Policies When Using Federal Funds to Purchase

Before purchasing goods using federal funds, the WBCL must review the Federal Government's General Services Administration's "List of Parties Excluded from Federal Procurement of Non-Procurement Programs" and document that the bidder is neither debarred or suspended from doing business with the federal

government nor delinquent in a debt to the United States as defined in OMB Circular A 1-29.