Policy 5.5: Purchasing

This Policy is intended to clarify and expand the Library's protocol for the procurement of goods and services by the Library consistent with Michigan law.

A. Purchases

All purchases of goods or services over $2,500, or any non-routine purchases without appropriation in the current budget, shall be submitted to the Library Board ("Library Board") for approval prior to purchase, except as required under Section III, Emergency Purchases; Section IV, Specifically Authorized Purchases or Section V, Re-occurring Routine Purchases. The purchase request shall outline the need and provide justification for the goods or services. The purchase request information should include suggested vendors, quantity, specifications, shipping details and pricing. The Library Board may require a budget amendment before approval of the purchase.

B. Minor Purchases

Any purchases of goods or services $2,500.00 or under, when the specific appropriation has been specified and included in the current budget authorized by the Library Board as an approved expenditure for the fiscal year, may be completed after submittal to the Library Director, with documentation being provided to the Library Board within a forty-five (45) day period.

C. Emergency Purchases

In an emergency endangering the public peace, health, safety or property of the Library, the Library Director or his or her designee may purchase supplies, materials, equipment, or services which are deemed immediately necessary to respond to and alleviate the emergency. A full report shall be filed by the Library Director with the Library Board within a thirty (30) day period of such action.

D. Re-Occurring Routine Payments; Authorizing Procedure

The following payments shall be considered authorized and do not require prior Board approval pursuant to this Policy:

a. Payroll
b. Utilities
c. Invoices or bills with penalties or discounts that would be incurred if payment is not received prior to the Board Meeting at which such invoices or bills will be approved.
d. [OTHER ROUTINE, MONTHLY BILLS]

However, all invoices and bills preapproved pursuant to this Section shall be post audited at the next Board meeting. The post audit shall indicate that the invoices and bills were preauthorized by policy.

E. Purchasing Agent

The Library Director shall act as purchasing agent of the Library, unless he/she shall designate another officer or Library employee to act as purchasing agent. Every purchase order shall be approved by the purchasing agent before being issued. The purchasing agent may adopt rules regulating requisitions and purchase orders.

F. Requisitions and Estimates

All departments of the Library shall file with the purchasing agent detailed estimates of their requirements in supplies, materials, equipment and contractual services in such manner, at such times, and for such future periods as the Library Director shall prescribe. The requirement for preparing estimates shall not prohibit any department from filing with the purchasing agent at any time a requisition for any supplies, materials, equipment, or contractual services the need for which was not foreseen when the detailed estimates were filed.

G. **Conflict of Interest**

No employee or Board member shall participate in any purchase or procurement when such participation is considered a conflict of interest under Michigan law. If any Board member or employee believes there may be a conflict of interest, the Board member or employee shall notify the purchasing agent of any actual or potential conflict of interest prior to any participation or as soon as the conflict is reasonably known. The purchasing agent, upon consultation with legal counsel and/or the Board shall determine whether the employee or Board member should participate.

H. **Quotes; Bidding**

Purchase of goods or services under $25,000 may be made in the open market, without advertisement and without formal competitive bidding. However, to the best extent possible, any such purchase shall be based on at least three (3) competitive quotes and the purchasing agent shall select the quote deemed most advantageous to the Library. Any purchase of goods or services over $25,000 shall require competitive sealed bids, which bidding requirements and process shall be determined by the Library Board that the time of the request for bids.

A. In recognition that certain products and services are clearly superior and/or compatible with Library operations, the District Director or assigned purchasing agent may determine that a specific product or vendor be the sole source of purchasing for the IADL. In doing so, the items will be purchased without a formal bidding process. However, the District Director shall inform the Board in writing regarding the deviation from the need for quotes or bidding prior to the purchase.

Universal Service Administrative Co. Funding

For all eRate eligible products and services the IADL has applied or will be applying for Universal Service Administrative Co. (USAC) funding or reimbursement, the IADL shall forgo the policy outlined here and instead follow the competitive bid process as required by USAC.

Local Business Initiative: In considering bid responses and quotes, the IADL will follow the Iosco and Arenac County Government's Local Business Initiative, if in effect at the time of the bid award. This initiative gives preference to local suppliers in an effort to support the local economy and the IADL's legal service area.

Exemptions: The following purchases are exempt from approval thresholds and quote requirements as outlined in this policy and may be awarded without obtaining quotes and/or Library Board of Trustees' approval if the price is considered to be reasonable by the District Director or Bookkeeper:

- Goods or services accepted by grant, gift, or bequest
- Water, sewer, steam, gas, electrical utility, and telephone services
- Library materials (including but not limited to items such as books, databases, subscriptions)
- Other regularly recurring expenditures as approved by the District Director and Bookkeeper.

Non-discrimination
When soliciting and selecting vendors, the IADL shall not in any way discriminate against any vendor because of age, race, color, religion, marital status, sex/gender, pregnancy, sexual orientation, gender identity, gender expression, height, weight, national origin, disability, political affiliation, familial status, veteran status or genetics and/or any other legally protected class not heretofore mentioned; nor shall IADL patronize, or continue to patronize vendors known to practice any form of discrimination.