

PENTWATER TOWNSHIP LIBRARY

Purchasing & Contracting Policy

PURPOSE

The Pentwater Township Library (Library) is committed to ensuring that its procurement decisions are open, fair and transparent. Purchases made by the Library should reflect the best value for the taxpayer, protect the financial interests of the Library, and encourage competitive bidding. Effective planning, monitoring and control of public sector procurement are essential for maintaining public trust and confidence. The Pentwater Township Library establishes this purchasing policy in order to comply with the laws of the State of Michigan, generally accepted auditing standards, and the principles of responsible fiscal management.

BUDGET

All Library expenditures shall be in accordance with the budget adopted by the Board of Trustees. Any expenditure, except in the case of an emergency, that may cause the budget item to be exceeded during the year must be approved in advance by the Board.

PURCHASING & CONTRACTING PROCEDURES

The Library Director or his/her designee is authorized to act as an agent of the Board in purchasing goods and services for the Library. All purchases and contracts authorized by the Director or Board shall be made with attention to the lowest possible cost and the highest standards of quality, performance, delivery, and service capability. Authorization is limited as follows:

- The Library Director is authorized to make purchases of supplies, materials, library resources, and other recurring items without prior Board approval, as long as, these purchases are covered within budgeted amounts. The Library Director is further authorized to purchase individual items of equipment and to authorize services and repairs up to \$5,000.00 without prior Board approval, as long as, these are covered within budgeted amounts. All expenditures estimated to be under \$5,000 are to be made using the judgment of the Director as to source of supply, based on the best available information.
- The Library Director shall secure informal written quotations from at least three (3) qualified suppliers or contractors when expenditure for a single item of equipment or service is expected to be over \$5,000.00 but less than \$20,000.00. Such proposals shall be submitted to the Board for action.
- The Library Director shall secure formal bids from suppliers or contractors when expenditure for a single item of equipment or service is expected to exceed \$20,000.00. All sealed bid solicitations shall be advertised publicly at least once in a newspaper of general circulation at

least fourteen (14) days in advance of the date announced for the public opening of the bids, unless time limitations prohibit. Such bids shall be submitted to the Board for action.

- All purchases, contracts, and expenditures of library funds shall be awarded to the successful bidder considering conformity with specifications, competitiveness of bid, terms of delivery, quality, and serviceability.
- The Pentwater Township Library reserves the right to accept or reject any or all bids, to waive defects or irregularities in any bid, or to accept or eliminate any portion of any bid.
- All bids and quotations, both successful and not successful, shall be retained with the fiscal year financials records, according to the Library of Michigan retention policy.

EXCEPTIONS TO THE BIDDING PROCESS

- The competitive bidding process shall be waived when there is only one known supplier, such as equipment/software supporting the library's automated computer system, or for professional services. The Board shall be informed if a purchasing decision is based on a sole supplier.
- When there is an urgent situation that impinges on library services or facilities, the Library Director or his/her designee may make emergency purchases, following established procedures as much as the circumstances allow. An emergency is defined as an unforeseen combination of circumstances that calls for immediate action. A written justification of the nature of the emergency and selection of the particular vendor shall be submitted to the Board of Trustees at the next meeting and shall become part of the record for that expenditure.
- Contracts for the maintenance or servicing of equipment which are made with the manufacturers or authorized service agents of that equipment.
- Expenditures made under a cooperative program with another governmental entity, such as a library cooperative, are by their nature exempt from competitive bidding requirements, as the bidding process has previously been completed.
- Purchases and contracts for the use, purchase, or installation of proprietary software.

This policy was adopted by the Pentwater Township Library Board on 09/11/2018 replacing the Purchasing Policy dated 08/12/2014.