

Coburn Free Library Procurement and Bidding Policy

Section I – Policy Adopted

The Coburn Free Library Board of Trustees adopted the following procurement policy on xx/xx/xx.

Section II – Purpose

The purpose of this policy is to provide guidance for the procurement of goods and services for the Library and to provide safeguards to ensure quality and integrity in financial interactions.

Section III – Application

The following policy and procedure will be followed when purchases of equipment, materials, supplies, property, or services from an outside source are made for the library.

Section IV – Conflict of Interest

The Conflict of Interest Policy shall be followed in all procurement and purchasing.

Section V – Financial Policy

The Financial Policy shall be followed in all procurement and purchasing.

Section VI – General Policy

No Purchase of Items for Personal Use. No trustee, director, or employee shall use purchased items for personal use.

No Purchase of Items Not Approved in the Budget. No director, trustee, or employee shall purchase 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 unless it is part of an emergency.

Emergency Purchases. In case of emergency, the purchaser must obtain approval from the Board President and Board Treasurer. The purchase shall then be ratified at an emergency meeting or the next regular meeting. An emergency is defined as an issue preventing the delivery of essential services or an immediate threat to the health or safety of the public or staff.

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

Responsible Purchasing. The Coburn Free Library will always seek to maximize value and cost-effectiveness in all procurement and purchasing. Financial decisions should be made in the best interest of the library.

Pricing Procedures. The following procurement procedures will be utilized for all purchases of equipment, materials, supplies, property, or services:

- 1) For Purchases under \$1,000: The Coburn Free Library will research costs in the open market to ensure an advantageous price and quality by comparing prices from multiple vendors. No documentation of inquiries is required.

- 2) For Purchases \$1,000 or greater: The Coburn Free Library will request competitive quotes from at least three different sources, orally or in writing. Documentation will be kept for each invitation made and offer received. Board approval is required for all purchases in this category.
- 3) Capital purchases \$1,000 or greater: The Board of Trustees will determine the necessity of a formal bid procedure for capital projects. This procedure is generally used to comply with funding regulations and will be determined by the funding source.

Funding Source Requirements- The Coburn Free Library will abide by all documentation requirements of funding sources.

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

- All property purchased belongs to the Coburn Free Library and any property titles shall be in the name of the Coburn Free Library.
- A list of all property with a fair market value of above \$5,000 owned by the Coburn Free Library shall be kept showing the type of property, original cost, and depreciated value. The inventory list shall be updated at the time of purchase and provided to the Board upon request.
- The Coburn Free Library will maintain insurance coverage for all property and its contents owned by the library.

Section VII – Responsibility of the Executive Director

1. Ensure funds are available for purchases according to the budget.
2. Ensure accounts are accurate and balanced. Ensure items have been charged to the correct budget lines and correct accounts when entered into accounting software.
3. Ensure the goods and/or services were duly authorized by the approved annual budget.
4. Provide a report of all expenditures to the Library Board monthly.
5. Complete the following financial operations:
 - preparation of the draft budget in September
 - prepare monthly financial reports for budget monitoring by the Board of Trustees
 - Complete accounts receivable/accounts payable transactions according to financial policy

Section VIII- Responsibility of the Library Treasurer

1. Maintain a working knowledge of all financial transactions completed by the Coburn Free Library.
2. Ensure that sound fiscal policies are in place and followed under the authority granted by the Board of Trustees.
3. Ensure that established fiscal policies are reviewed and updated as necessary.
4. Develop new procedures and policies as needed to ensure the financial security of the library.
5. Provide support for the financial responsibilities of the executive director as support is needed.