



## Purchase Policy

### **1. Annual Budget's Role in Purchasing Authority**

Board's approval of the annual budget serves as the principal authority for the Library to encumber and expend the funds necessary to operate. This authority begins with approval of the preliminary budget adopted at the end of May. Recognition of the preliminary budget as an operating budget is necessary because the new fiscal year begins on July 1. The final budget, incorporating necessary changes to the preliminary budget, is normally adopted in August after receiving certified Ad Valorem totals from County assessors.

### **2. Regulations**

1. The library administration shall establish and maintain a purchasing procedure to:
  - A. Assure that each encumbrance is a legal and just claim and is within the authorized available balance of the appropriate budget categories.
  - B. Certify and document that purchased items are satisfactorily received.
  - C. Provide accurate records for audit and keep such records on file.
2. The Library's Business Office shall be the central purchasing agency through which requests for the purchase of all library materials and operational items are accounted for. The Business Manager shall be the system's designated Encumbering Officer.

### **3 Payment of Claims**

1. Claims are submitted to the Board of Trustees for approval at each regularly scheduled Board meeting.
2. The Pioneer Library System Director, or the appropriate Assistant Director when the Director is absent, is authorized to issue payments prior to Board approval as long as such claims are within the Board approved Budget and limited to the following items:
  - A. Payments of Payroll items including employee checks, payroll taxes, and payments to insure employee deductions are remitted in a timely manner.
  - B. Oklahoma Sales Tax.
  - C. Requests for prepayment of expenditures by the Director or the appropriate Assistant Director for approved continuing education conferences and workshops when employees would otherwise have to personally make the payment.



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- D. Payments of Designated and/or Grant funds which are accounted for separately from General Operating Fund Expenses.
  - E. Replacement checks in instances when the original approved check was lost or was in error.
  - F. Reimbursements to employees for emergency out of pocket expenditures for an amount greater than can be reimbursed out of petty cash.
  - G. Routine operational expenses to avoid late payment charges. These routine expenses include telephone invoices, regularly scheduled lease payments, insurance premium payments, credit card payments, and postal charges.
3. In addition, the Director, or the appropriate Assistant Director when the Director is absent, is authorized to issue payments within the limits of the Board approved Budget under the following circumstances:
    - A. A monthly Board meeting is cancelled for any reason.
    - B. Any month a quorum is not available for approval of the claims payments.
    - C. Any month when the Board does not meet.
  4. The Pioneer Library System Director, or the appropriate Assistant Director when the Director is absent, is authorized to issue payments prior to Board approval, as long as any such authorization and payment shall not exceed the unencumbered and unexpended balance of the budgeted appropriation made for that purpose, nor may the amount of such authorizations and payments exceed fifteen percent (15%) of the appropriations approved for the current month.
  5. All payments authorized by the Director/appropriate Assistant Director in accordance with the above guidelines, will be presented to the Board at the next Board meeting.

### **4. How Purchases Are Made**

1. All purchases of supplies, materials, equipment or services for the library shall be made by completing a request for purchase form which serves as the authorization to issue a purchase order and procure the requested item or service.

No purchase orders are required for the following:

- A. Petty cash reimbursements for out-of-pocket expenditures under \$25.00 and supported by proper documentation.
- B. Monthly payments for fixed costs and/or a set amount. See Exhibit A
- C. Purchases of items for less than \$200.00. Examples include; food and craft purchases for programs and general supply purchases.



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2. The Pioneer Library System will not knowingly purchase or accept bids to purchase any item from:
  - A. Pioneer Library Board members;
  - B. Pioneer Library System employees;
  - C. Spouses of the above individuals;
  - D. Children, parents, grandparents, grandchildren, brothers and sisters of the above individuals and their spouses; and
  - E. Firms or enterprises in which any of the above individuals have a pecuniary interest involving ownership, partnership, sales commission or other direct and immediate gain resulting from such purchases.

This policy does not prohibit the purchase of any item \$100.00 or less from any firm or enterprise in which an individual defined in C & D above is employed or owns stock but has less than controlling interest as referred to in E. above.

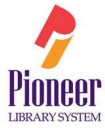
3. Every contract for purchase of supplies, materials or equipment for more than \$9,999 shall require the prior approval of the Pioneer Library Board of Trustees; and under no circumstances may such contract or purchase be made without first obtaining the approval of the Library Board.

### **5. Competitive Bidding**

Supplies, materials or equipment costing not more than \$9,999 may be purchased on the basis of oral bids or quotations when it is determined by the Business that such procedures are in the best interest of the Library.

Prior Board approval is required based on written quotations for materials over 10,000.

Before any purchase of, or contract for, supplies, materials or equipment costing more than \$10,000 is made, except as otherwise provided below, the Director shall submit to at least three persons, firms or corporations dealing in and able to supply the same, or to a smaller number if there are not three dealing in and able to supply the same, a request for quotation (or invitation to bid) to give them opportunity to bid, and/or publish notice of the proposed purchase in a newspaper within each county served by the Pioneer Library System. All bids shall be sealed and shall be opened in public at a designated time and place. The Director may repeatedly reject all bids and again may submit to the same or others persons, firms or corporations the request for quotation (or invitation to bid), and/or again publish notice of the proposed purchase. Purchase shall be made from the bidder whose bid is most advantageous to the library, considering price, quality, date of delivery and other pertinent factors; and, in the



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event of a tie bid, purchase may be made from one to those tying, or the purchase may be divided among those tying, always accepting the bid or bids most advantageous to the library.

The Pioneer Library System gives preferential consideration, when purchasing supplies and/or services through the competitive bid process, to the vendors and contractors of the PLS three county service area and to other Oklahoma vendors and contractors whose property taxes directly support the Pioneer Library System.

### **6. When Competitive Bidding Is Not Required**

The following may be purchased without giving opportunity for competitive bidding and without prior PLS Board approval if under \$9,999:

- a. Supplies, materials or equipment which can be furnished only by a single dealer, or which have a uniform price whenever bought. This sole source procurement includes items of a proprietary design (developed at our request) or a vendor which possesses the unique and singularly available capability to meet the requirement of the solicitation.
- b. Supplies, materials or equipment purchased from another unit of government at a price deemed below that obtainable from private dealers.
- c. Services (gas, electricity, telephone services, etc.) purchased from a public utility at a price or rate determined by the State Corporation Commission or other government authority.
- d. Supplies, materials or equipment when purchased at a price not exceeding a price set-by the State of Oklahoma Department of Central Services/Central Purchasing.
- e. Services of a professional nature, such as engineering, architectural, legal, medical, insurance and certified public accountant. Engineering and architectural contracts will require a kick-back affidavit in the form of 62OS310.9.
- f. Books, other collection items, and binding, which are purchased at the best price available consistent with service, date of delivery and other pertinent factors shall be exempt from competitive bid.
- g. Where proposed equipment and/or services vary, to the extent that sealed bids are not practical detailed proposals, may be accepted in lieu of such bids.



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### **7. Special Purchase Areas:**

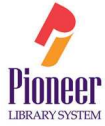
#### **Appendix I:**

#### **Guidelines For Credit Card Purchases:**

1. The Business Manager shall be responsible for the accounting, monitoring, and overseeing compliance with this credit card procedure, and with the rules set by the credit card company. The Business Manager shall be an authorized user of the Pioneer Library System credit card.
2. The following library system employees are designated credit card users. The Director can approve additional credit card users if necessary.

Director  
Associate Director for Technology  
Assistant Director for Planning and Operations  
Assistant Director for Library Services  
County Coordinators  
Norman Branch Manager  
Collections Coordinator  
Business Manager  
Purchasing Officer  
Public Information Officer  
Virtual Library Coordinator  
Development Officer

3. Cardholder shall use the card solely for library business. Card must be used for a minimum purchase of at least \$25.00. Otherwise employee will be reimbursed from Petty Cash by Business Office.
4. Pre-planning and regular purchasing procedures, including the use of request of purchase order forms, purchase orders, and petty cash, shall be used for all purchases whenever possible. Since sales tax is charged on credit card purchases, such purchases shall be kept to the minimum, and only be used when the regular procedures are not feasible, such as online purchases.
5. Purchase orders will not be required for purchases made with the Pioneer Library System Visa card. Upon completion of a purchase with the Visa card, a request for payment form shall be completed and the order confirmation documents and/or the receipt shall be attached to the form and returned with the credit card.



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6. The credit card shall be kept in a locked safe in the Business Office, and shall be returned to the office immediately after each use. Only the person who has been authorized and logged to use the card should charge on the card.
7. All credit card purchases, except materials purchased by Materials Acquisitions, must have a valid Request for Purchase, with itemized invoice or statement filed in the Business Office as soon as the purchase is completed.
8. Unauthorized use of a library credit card by any employee may be cause for dismissal. Employee may be held responsible for the payment of unauthorized purchases.

### **Appendix II: Guidelines for Library Programming Incentives and Promotions**

1. Upon approval of the Director, incentive and promotion items may be paid from the PLS operating budget.
2. The Director shall review proposals and determine a reasonable per unit cost of such items in accordance with guidelines reviewed with the PLS Auditor.

### **EXHIBIT A**

- 1) Utilities
- 2) Payroll and Payroll Taxes
- 3) Sales Tax
- 4) Phone Bills
- 5) Facility Rental
- 6) Health Insurance
- 7) Dental Insurance
- 8) Life Insurance
- 9) Wage Garnishment and other payroll deducted items
- 10) Travel and Mileage Reimbursements
- 11) Copier Leases
- 12) Postage Machine Leases
- 13) Fuelman Credit Card
- 14) Fine Collection Service

**Reaffirmed by Board, May 25, 2004**

**Updates approved by PLS Board September 26, 2006**

**Updates approved by PLS Board May 25, 2010**

**Updates approved by PLS Board September 28, 2010**

**Updates approved by PLS Board July 26, 2011**