

**Procurement Policy**

It is the policy of the Pioneer Library System (PLS) to obtain the maximum practical value when purchasing goods and services required for the effective operation of the organization consistent with the provisions of this policy, standard business practices and in accordance with applicable laws and statutes. PLS requires competitive bids for certain items and services to keep costs at a minimum; to give interested, qualified suppliers an equal opportunity to supply goods and services to PLS; and, to guard against favoritism, extravagance and fraud, waste and abuse. This policy sets forth the provisions to ensure compliance with applicable NYS General Municipal Law and PLS policies. PLS is a cooperative library system. It is neither a political subdivision nor a district thereof and is not subject to General Municipal Law except when purchasing for a member library that must comply with New York State statutes.

**Purchased Items –** Purchased items require Purchase Orders and include all goods and services obtained using PLS funds except the following: travel, utilities, the pass-through of funds to outside entities, and loans.

Insurance, audit, legal and other consulting and professional services do not require issuance of a purchase order but will follow competition guidelines below.

**Authorization to Commit Funds and Sign Purchase Orders -** Purchase orders may be signed by the Executive Director or the Business Manager. No individual may commit PLS funds without proper authorization.

**Competition Guidelines - Formal Bids -** When PLS executes procurement actions for member libraries that are required to comply with New York State Purchasing regulations, all purchasing actions will be in accordance with applicable New York State Municipal Law.

When PLS executes procurement actions for itself or member libraries that are not required to comply with New York State Purchasing regulations, the practices outlined in the charts on page two shall apply.

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| Public Works (Building capital improvement projects) | Up to $35,000 | Discretion of Executive Director |
| Public Works(Building capital improvement projects) | Over $35,000 | Requires Request for Proposal or Request for Quote approved by Board of TrusteesMinimum number of Quotes – three (3)  |
| Purchase Items and Consulting/Professional Contracts | Up to $20,000 | Discretion of Executive Director |
| Purchase Items and Consulting/Professional Contracts | Over $20,000 | Requires Request for Proposal or Request for Quote approved by Board of TrusteesMinimum number of Quotes – two (2) |
| Purchases or Services | Up to $7,500 | Discretion of Executive Director |
| Purchases or Services | $7,500 - $10,000 | Requires two (2) competitive quotes approved by Executive Director |
| Purchases or Services | Over $10,000 - $20,000 | Requires three (3) competitive quotes approved by Executive Director |
| Insurance |  | Requires Request for Proposal or Request for Quote approved by the Finance Committee every three (3) yearsMinimum number of quotes – two (2) |
| Audit |  | Requires Request for Proposal or Request for Quote approved by the Audit Committee every five (5) yearsMinimum number of quotes – two (2) |
| Legal Services |  | Requires Request for Proposal or Request for Quote approved by the Finance Committee every five (5) yearsMinimum number of quotes – two (2) |

Note: Purchases may not be fragmented to avoid higher approval authorities.

**Single and Sole Source Purchases –** Single source purchases are allowed. Single source purchases are those in which other qualified sources may be available but competition would not be beneficial because of prior agreements or technical considerations. Sole source purchases are those in which there are no other qualified suppliers. In the absence of competition, reasonable attempts to negotiate fair and reasonable pricing are required.

**Multi-Year Contracts –** Multi-year contracts are allowed; however new quotes must be obtained when the contract expires.

**Purchase Order Documentation –** A file that includes a copy of the purchase order, records of quotes/bids, price analysis, packing slip, invoice, vendor claim form and check or voucher number will be established for each purchase order issued and filed in accordance with established procedures. If it is a sole or single source procurement or the low bidder is not chosen, adequate justification for price paid is required.

**Receipt of Goods and Services –** Receipt of goods and services will be verified on the Purchase Order by initialing and dating by a person other than the originator of the purchase.

**Inspection –** To ensure compliance with purchase order requirements, goods and services received will be inspected or verified by the originator of the request and results documented on the purchase order.

**Supplier Qualification –** Reasonable efforts will be made to ensure suppliers providing goods and services to PLS are qualified and reputable. It is PLS policy to purchase goods and services from qualified local sources when prices are fair and reasonable.

**Sales Tax Exemption –** PLS is not required to pay sales tax on purchased items.

**Payment from Invoice –** As a general rule, payments are made from an invoice. (see Credit Card Policy for exceptions)

**Ethical Practices and Conflict of Interest –** Individuals purchasing goods and services must conduct business in a professional manner and qualified vendors must be given an equal opportunity to compete for PLS business. Purchasing decisions should be made with integrity and objectivity, free from any personal bias or benefit. The PLS Conflict of Interest Policy provides specific guidelines regarding gifts and gratuities and PLS persons holding interests in suppliers doing business with PLS. Employees who would benefit financially from a given prospective supplier selling goods or services to PLS may not participate in the supplier selection process.

**Responsibility –** The Executive Director of PLS has overall responsibility for purchasing for PLS and for implementing effective procedures that comply with the requirements of this policy and demonstrate effective internal controls.

 *Revised: October 13, 2021; December 13, 2017
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Adopted: May 13, 2015*