



Purchasing Guidelines

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In conformance with the City of Birmingham's Purchasing Guidelines, these purchasing guidelines have been approved by the Board of Directors of the Baldwin Public Library (BPL) in carrying out its authority and responsibilities under Chapter XVI of the Birmingham, MI City Charter to exercise exclusive control of the Library Fund.

The purpose of these guidelines is to provide standardized policies and procedures for the purchase of BPL materials, equipment, supplies, and for the incurring of various operating expenses and contractual services by BPL and for the sale or abandonment of property no longer needed by BPL with the intent of providing for the efficient and effective use of the Library Fund.

The guidelines define the responsibilities of the Board of Directors and the Director or Associate Director of BPL within the scope of authority granted.

Guidelines

- A. **Centralized Purchasing System:** The authority and responsibility for the purchase of all BPL Materials, Equipment, Supplies, Contractual Services and Operating Expenses will be under the direction of the Director and in conformance with the Board approved BPL budget. The Director will manage all the purchasing and disbursement activities by BPL staff members. The Bookkeeper will ensure all purchases are properly reflected in authenticated vouchers in accordance with procedures established by the City Charter.
- B. **Purchasing Controls and Supervision:** The Director will establish and enforce appropriate internal controls for the management of the purchasing process and implementation of the policies reflected in these guidelines. These will include providing guidance and training to all staff members regarding the Purchasing Guidelines, including dollar limitations, quotation and bidding requirements, where applicable, and all purchasing procedures, including requirements of the Treasurer. No purchase will be made except as authorized by the BPL budget and in compliance with authorizations and procedures established by these guidelines. The Director will monitor all purchases and determine which items are surplus and suitable for disposal (see section N).
- C. **Purchasing Considerations:** In making all purchases, the BPL Director, Associate Director, or Department Head will take into consideration the following factors, giving greater weight to the first three factors compared to the second three factors:
 - a. Price
 - b. Quality and serviceability
 - c. Vendor reputation and prior experience with vendor
 - d. Availability of quantity discounts
 - e. Birmingham-based vendors
 - f. Sustainably sourced
- D. **Request to Purchase:** Library staff members must receive appropriate approvals from the BPL Director, Associate Director, or Department Head before purchasing Equipment, Supplies, Contractual Services, or incurring Operating Expenses. Approval is granted when the invoice

or payment request is signed by the appropriate authority. All purchases must be in accordance with the approved budget.

- E. **Limitations with Respect to Purchases:** The Director has authority to authorize in conformance with the approved budget and without further Board approval, any purchases not exceeding \$75,000. The Board must approve all other Contracts having a cost in excess of \$75,000.
- F. **Purchases under \$2,500:** Purchases may be made from any responsive bidder. Staff members should make every effort to receive informal price quotes from three vendors. No purchase order is required for the purchase. Agreements, if applicable, need to be reviewed by the City Attorney prior to purchase.
- G. **Purchases from \$2,500 to \$25,000:** Formal price quotes from three vendors are required unless purchasing through an approved cooperative purchasing organization or unit of government. A purchase order is required. Documentation of price quotes and vendor selection, along with any signed agreement, needs to be electronically attached to the purchase requisition in the system. The standard City contract or a mutually agreeable contract approved by the City Attorney may be required at the City Manager's discretion. Any sole source purchasing needs to be documented and approved by the Library Director.
- H. **Purchases from \$25,001 to \$74,999:** Formal specifications and price quotes from three vendors is required unless purchasing through an approved cooperative purchasing organization or unit of government. A purchase order is required. Documentation of price quotes, vendor selection, and signed contract needs to be electronically attached to the purchase requisition in the system. The standard City contract or a mutually agreeable contract approved by the City Attorney must be used. The contract must be signed and approved by the Library Director, Finance Director, City Attorney, and City Manager. If this is a non-budgeted purchase or if the purchase will require a budget amendment, then the purchase must be approved by the Library Board. Any sole source purchasing needs to be explained and approved by the Library Director.
- I. **Purchases of \$75,000 or greater:** Formal competitive bidding is required as outlined in the City Charter and City Code of Ordinances (section 2-280). The purchase must be approved by the Library Board. A purchase order is required. Documentation of price quotes, vendor selection, and the signed contract needs to be electronically attached to the purchase requisition in the system. The standard City contract or a mutually agreeable contract approved by the City Attorney must be used. The contract must be signed and approved by the Library Director, Finance Director, City Attorney, and City Manager.
- J. **Bidding Procedure:** An invitation for bids must be publicized no less than five (5) days preceding the last day set for the receipt of bids. The invitation must include a general description of the supplies or services to be purchased. It must also state where bid forms and specifications may be obtained, when they must be filed and when the bids will be opened. Bidders will be instructed to submit sealed bids, which are clearly identified as bids on the outside of the envelope. Invitations for bids will be placed in suitable trade publications or on governmental bid website such as MITN. All bids received will be time-stamped and remain unopened until the date and hour of the bid opening. Bids are to be opened publicly at the

time, place and date specified in the invitation for bids. Bids are to be recorded, tabulated and available for public inspection. In cases of orders over \$6,000, the Director will recommend to the Board in writing for final approval, the best overall bid based on the purchasing considerations of Section C under these guidelines or whether all bids should be rejected. All bidders, successful and unsuccessful, will be notified of the decision by the Director or Board. Any bid bonds received from unsuccessful bidders will be returned in a timely manner. Any deposits for specifications will be returned upon receipt and opening of the specifications. BPL will not be obligated to purchase from the lowest bidder.

- K. **Payment Process:** All invoices will be submitted to the Bookkeeper. Invoices will include the necessary signatures and accounting details whenever possible. Any registration forms or other documentation to be sent to the vendor should be attached along with an additional copy of each. The Bookkeeper will then prepare the voucher required for payment for approval by the Director or Associate Director and the Board. Vouchers will be certified by the Board Secretary in accordance with Charter requirements and will be forwarded to the Treasurer. The Treasurer will make no payment without proper authorization.
- L. **Emergency Purchases:** Normal purchasing procedures may be circumvented only in the case of an emergency when there is an apparent threat to the public safety, health, or welfare of BPL or its users. Emergency purchases may be made at the discretion of the Library Director or Associate Director. A report of such action should be made to the Board as soon as possible.
- M. **Petty Cash Purchases:** A petty cash fund of not more than \$750 will be maintained by the Bookkeeper for the purpose of purchasing incidental and non-repetitive items in amounts not exceeding \$50. A receipt is required as proof of payment for all petty cash purchases. The fund must be balanced by the Bookkeeper periodically based on use. No reimbursements will be made without the required supporting documentation.
- N. **Disposal of Obsolete, Worn or Surplus Library Materials, Equipment and Supplies:** Items determined by the Director to be obsolete, worn, or surplus, will be disposed of in one of the following ways:
 - a. An item with an original value of less than \$2,500 shall be disposed of by the best and most efficient means in the judgement of the Director or Associate Director, taking into account such factors as storage and handling costs and advertising.
 - b. An item with an original value of \$2,500 to \$75,000 shall be disposed of in one of the following methods:
 - i. Sale after obtaining informal quotes.
 - ii. Auction.
 - iii. Manufacturer trade in.
 - iv. By the best and most efficient means in the judgement of the Director or Associate Director, taking into account such factors as storage and handling costs and advertising.
 - c. An item with an original value in excess of \$75,000 shall be disposed of in one of the following methods
 - i. Sale after obtaining formal quotes and going through the bid procedure.
 - ii. Auction.
 - iii. Manufacturer trade in.

- iv. By the best and most efficient means in the judgment of the Director or Associate Director, taking into account such factors as storage and handling costs and advertising, with the approval of the Library Board.

Freedom of Information Act: Procurement information will be a public record to the extent provided in the Freedom of Information Act, Act No. 442 of the Public Acts of 1976 and will be available to the public as provided in the Act. Information furnished by a bidder, which is identified as a trade secret, will not be disclosed outside of BPL without prior written consent of the bidder. Unopened bids will not be made available to the public.

Non-Discrimination Pursuant to Act. No. 453 of the Public Acts of 1976, as amended, a vendor or contractor, while in the performance of a BPL contract, will not discriminate against an employee or applicant for employment because of race, color, religion, national origin, disability, age, gender, or sexual orientation. Any breach of this Act may be regarded as a material breach of the contract. This provision will also apply to any subcontractor in the employ of the vendor or contractor.