

Stewardship of Financial Resources

SF 200 Purchasing

Adopted: 1/86; Revised: 5/86, 4/88, 10/94, 8/00, 6/04, 9/07, 6/11, 8/11, 3/12, 10/15, 09/16

- (A) The Metropolitan Library Act (62 O.S. 1971, Section 551 et seq.) empowers the Metropolitan Library Commission to administer the expenditure of funds derived from the library tax levy and from fines, fees, sales of personal property and other miscellaneous income. The purpose of these policies is to ensure that purchases are made in a transparent and competitive manner that is in the best interest of the Library and the taxpayers.

(B) Purchasing and Contracting Authority

- (1) The Commission shall approve or reject all formal bids. The executive director is authorized to execute contracts for bids approved by the Commission, for contracts below the bid threshold, and for contracts included in the approved budget for which the underlying purchase is exempt by policy from competitive bidding up to \$25,000.
- (2) The Library's Business Office shall be the central purchasing agency through which purchase or payment requests are routed and accounted for.
- (3) Monthly Commission Review of Claims: The list of claims for which checks have been issued during a given month is attached to the financial statement presented at the Commission's monthly meetings. The list serves as final documentation for audit purposes.

(C) Purchasing Guidelines & Bid Policy

- (1) Purchases of goods or services, excluding construction contracts, expected to exceed \$10,000 (or increase) should be purchased through competitive bidding. Purchases of similar items or groups of items should not generally be subdivided into multiple purchases of less than \$10,000.
- (1) Notice inviting bids will be published in an Oklahoma County newspaper.
- (2) Not less than 14 days will be allowed for the receipt of bids.
- (3) Bidders shall submit a Non-Collusion Affidavit with their bids.
- (4) Administration will analyze the bids received and recommend the vendor who has submitted the lowest and best bid to the Commission for approval. The Commission retains the right to reject all bids and to waive any technicalities, irregularities or omissions.
- (5) The Commission gives preferential consideration when purchasing supplies or services through competitive bidding, to Oklahoma County residents and businesses whose property taxes directly support the Library. Preferential consideration is given only when all other factors used in determining lowest and best bidder are equal, and when the difference between the local and non-local vendor's bid price does not exceed five percent (5%) or \$1000, whichever is less.
- (6) Bidding for construction contracts and building improvements shall be administered in accordance with the Public Competitive Bidding Act of 1974.
- (7) The Commission shall be advised if exceptions are made to bid policy.

(D) Exemptions from Competitive Bidding Requirements

- (1) Utilities and other similar services for which fees or rates are regulated by federal, state, or local government.
- (2) Sole source contracts defined as a purchase of goods or services which can only be purchased from one supplier, usually because of its technological, specialized, or unique character.

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- (3) Professional services which require specialized or technical skills, expertise or knowledge, or the exercise of professional judgment. These include but are not limited to architects, engineers, attorneys, accountants, real estate appraisers, insurance brokers, and professional consultants.
- (4) Library materials including books, magazines, audiovisual materials, online databases, and other materials intended for customer use.
- (5) Contracts for performers or artistic services.
- (6) Speakers, training and seminars.
- (7) Advertising services.
- (8) Purchase made under a State Contract or from another governmental agency or body.
- (9) Purchases that provide for prices that are equal to or lower than GSA pricing.
- (10) Purchases made utilizing competitively bid contracts of national purchasing cooperative programs.
- (11) Contracts for the maintenance or servicing of equipment which are made with the manufacturer or authorized service agent of that equipment where the maintenance or servicing can best be performed by the manufacturer or authorized service agent.
- (12) Contracts for software support and maintenance provided by the software company.
- (13) Emergencies involving public buildings, public property or the life, health, safety, or property of the Library, its customers or staff where immediate expenditure is necessary to protect against financial loss, loss of or damage to library property, to prevent or minimize serious disruption in Library services or to ensure the integrity of Library records. Any exception to bidding by reason of emergency will be disclosed to the Commission at the next scheduled Commission meeting.

(E) Contract Renewals

- (1) The administration shall review all contracts that exceed the bid threshold at least annually and, depending on vendor performance, shall submit a recommendation regarding extension, renewal, cancellation or rebidding to the Commission. All contracts in force for three consecutive years, which exceed the bid threshold in any one year, shall be subject to rebidding at the end of the third year unless this requirement is waived by the Commission.
- (2) Contracts with the financial auditors may extend for up to five years. The auditing firm may be retained for subsequent five-year periods if the firm agrees to rotate its audit partner or audit manager for the following 5-year period.
- (3) Bids for the Library's insurance, including its Package policy, Auto, Umbrella, Fiduciary, Directors' and Officers', Employment Practices, Workers Compensation and Flood Insurance, may be extended for five years total before re-bidding.

(F) Purchases Less Than Bidding Threshold

- (1) For acquisitions between \$2,500 and \$9,999 the Library will solicit informal quotes from available qualified vendors and award to the vendors with the best and lowest quotes. This procedure may be waived by the executive director in an emergency

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situation requiring immediate action when the procedure is not practical under the circumstances.

- (2) The records of quotes will be maintained and included in the purchase documents.

(G) Prohibited Vendors

The Library will not knowingly purchase nor accept bids to purchase any item from:

- (1) Commission members
- (2) Library employees
- (3) Children, parents, grandparents, grandchildren, brothers and sisters of the above individuals and their spouses
- (4) Firms or enterprises in which any of the above individuals have a vested interest involving ownership, partnership, sales commission or other direct and immediate gain resulting from such purchase
- (5) This policy does not prohibit the purchase of items from any firm or enterprise in which an individual defined in 3 above is employed or owns stock but who does not have a vested interest as defined in 4 above.
- (6) Exceptions: The Library may contract with employees or other associated individuals, who might otherwise be prohibited from performing special services, to perform as musicians, actors, authors, or in other artistic capacities for the benefit of customers or employees at special functions of the Library. Examples of these special situations would be employees hired to perform musically at a Library grand opening, when such employee regularly contracts with other entities to perform similar services; employees hired to act in special performances hosted by the Outreach Department; employees who have authored books and are hired to perform a reading of their book for the general public; and, children of employees who are members of a band that is hired to entertain at a Library function. In these special situations, it does not matter if the contract is directly with the individual or with a group in which the individual is a member. Books or other materials written or produced by employees or other associated individuals may be purchased for the library's collection if they meet the requirements of the Materials Selection Policy (AM 310).
- (7) The executive director will make a disclosure to the Commission at its regular monthly meeting whenever one of these specific situations occurs. Employees are not authorized to approve purchases to family members or to themselves.

(H) Disbursement

- (1) Library payments less than \$5000 may be approved by any of the following: Chair, Vice-Chair, Disbursing Agent, Secretary (executive director) of the Commission, Chief Operating Officer, Chief Organizational Development Officer, and the Chief Library Officer. Library payments in excess of \$4,999.99 shall require two authorized approvals. The Secretary (executive director), Chief Operating Officer, Chief Organizational Development Officer, and the Chief Library Officer may not approve payments in which they are the payees of payments in payment of goods and services.
- (I) The Metropolitan Library Commission authorizes the executive director to establish procedures to administer this policy