

PURCHASING, BID, and RFP POLICY

The Chesterfield Township Library (Library) is entrusted with the responsible and prudent use of Library tax funds paid by residents of the community. Mindful of this public trust the Library Board of Trustees establishes an Annual Budget as well as long range financial goals for the operation of the Library.

In order to operate the Library in an efficient manner on a day to day basis, the Library Board of Trustees hereby establishes this Purchasing Policy to direct the Library Director and authorized personnel in their daily spending decisions. By establishing this policy, the Library Board is entrusting the library staff with the responsibility of knowing their individual budget limits as well as their individual level of spending authority.

The Board recognizes there are some materials and services that are only available from a single source. Level II or above purchases (as described below) from a single source vendor are to be identified and justified to the appropriate supervisory level prior to consummating the purchase.

Types of purchasing

Spending at the library can be divided into 7 categories each with its own limits or restrictions.

1. Collection addition purchases are made by the appropriate department heads within the limits of the annual collection budget as established by the Board approved Annual Budget. Annual purchasing for this category is restricted only by the annual budget. Responsibility for monitoring these expenses rest with the Library Director who updates and reports these expenditures to the Board on a monthly basis
2. Routine building operation expenses such as utilities, maintenance, and insurance as well as personnel expenses are established in the Board approved Annual Budget. Responsibility for monitoring these expenses rest with the Library Director who updates and reports these expenditures to the Board on a monthly basis.
3. Supplies to support Library operations are purchased by the appropriately authorized personnel within the limits of the annual budget as established in the Board approved Library Budget. Bulk purchasing, with the resulting savings and within the storage capacity of the building, is encouraged by the Board. Annual purchasing for this category is restricted by the annual budget and subject to the spending and approval limits as established in Levels of Purchasing Authority I - IV.
4. Non-routine operations including capital improvements and equipment purchase budgets are established in the Board approved Annual Budget. Annual purchasing for this category is restricted by the annual budget and subject to the spending and approval limits as established in Levels of Purchasing Authority I - IV.
5. Special projects as deemed necessary by the Library Director to improve or enhance library operations outside the annual budget will be presented to the Board for special consideration.
6. Emergency purchases include items related the health and safety of our staff and patrons as well as building damage that if deferred or left unattended will result in further damage or expense to the Library. Emergencies, because of their potential devastating nature, must be addressed by the Library Director and staff promptly using their best judgment. Prompt notification of the Library Board is required once the initial emergency issue is addressed.

7. Products purchased through REMC (Regional Educational Media Center Association of Michigan) do not require bid solicitations.

Approved: July 20, 2005

Chesterfield Township Library Board of Trustees

Levels of purchasing authority

The Board hereby establishes the following spending and approval limits in order to delegate to the staff the responsibility and authority to operate the library in an efficient manner on a day to day basis. These spending and approval limits and the Annual Budget are to be adhered to in all purchasing decisions.

Level I purchases - \$1-\$1000.99 require simple comparison shopping to ensure a fair price is paid for materials and services. Authorized personnel may approve purchases at this level.

Level II purchases - \$1001 - \$7,499.99 require written quotes be acquired from a minimum of two vendors. The approval of the Library Director is required for purchases at this level.

Level III purchases- \$7,500 - \$20,000 require written quotes be acquired from a minimum of three vendors. The Library Director shall present purchases at this level to the Board for approval.

Level IV purchases - over \$20,000 require a written Request for Proposals be published for open bidding by all interested parties. Sealed bids must be submitted to be opened in public. Board approval is required for purchases at this level.

Contracts - All contracts \$20,000 or over will be sent to the library's attorney for review before being presented to the library board for approval. Other contracts may be reviewed by the attorney at the Director and /or Board's discretion.

Request for Proposal Guidelines

Request for Proposals (RFPs) should be prepared in consultation with the library staff, Director and Board of Directors to ensure the vendor proposals submitted meet the expectations of all parties.

Vendors who receive a proposal should find all necessary information included in the RFP for them to submit a proposal that meets at the expectations of the Library.

RFPs should include at a minimum the following information

1. Library contact information.
2. The work location.
3. When is the work expected to be started?
4. When is the work expected to be completed?
5. What work is to be done?
6. What materials are to be used?
7. What are the permit, bond and insurance requirements?
8. What are the warranty terms?
9. What are the bidder qualification requirements?
10. What is the bid due date?
11. What is the bid opening date?
12. The following clause must be included in all RFPs. *"The Chesterfield Township Library will endeavor to ensure bids submitted are comparable. The Chesterfield Township Library reserves the right to accept, reject or ask for clarification of any or all bids in order to ensure the best interests of the Library are served. The Chesterfield Township Library reserves the right to accept bids that are not the lowest if it is determined to be in the best interest of the Library."*