



## Policy 2020: Purchasing

Adopted: *October 26, 2016*

Reviewed/Revised: *April 28, 2021*

### I. Purpose

The purpose of this policy is to provide guidance to be followed for the procurement of goods and services for the Algonquin Area Public Library District and to provide safeguards for maintaining a procurement system of quality and integrity. The intent of this policy is to:

- Ensure that materials, equipment, and services are purchased at the lowest reasonable price consistent with quality and performance;
- Provide adequate controls over Library expenditures and financial commitments with proper documentation;
- Obtain quality goods required by the Library; and
- Provide a standardized system of purchasing.

### II. Guidance

Purchases of the Algonquin Area Public Library District (the Library) are governed by the statutes of the State of Illinois. It is the policy of the Board of Library Trustees to comply with all statutory requirements and to use the most responsible business practices in its purchases.

The Executive Director shall be responsible for the establishment of purchasing guidelines and procedures consistent with this purchasing policy and for ensuring that all expenditures are made in accordance with this policy.

### III. Purchases and Leases

#### **Section III.01 Authority to Purchase Items in the Budget**

Unless otherwise provided for in this policy, the Executive Director shall have the authority to purchase or lease materials, equipment, and services provided that the amount expended for any expense category of the annual budget shall not exceed the amount budgeted without the prior approval of the Library Board. Staff will act to procure quality products and services at the lowest reasonable cost, consistent with the needs of the user departments with regard to durability, performance, delivery, and service.

#### **Section III.02 Joint Purchases with Other Governmental Agencies**

The Executive Director is authorized to enter into joint purchasing contracts where the funds for such contracts have been previously budgeted and appropriated by the Library Board, according to the provisions of the Governmental Joint Purchasing Act( 30 ILCS 525/01 *et seq.*). However, whenever such a contract is in excess of twenty-five thousand dollars (\$25,000), the contract shall be presented to the Library Board with a request for permission to waive bids and approval to enter into a formal joint contract.



### **Section III.03 Commitment of Monies**

No commitment for expenditures of Library monies, except from the petty cash fund, shall be made without authorization issued according to the following conditions:

#### **(a) \$25,000 or more**

Any expenditure or sequence of related expenditures in a fiscal year of twenty-five thousand dollars (\$25,000) or more shall be made only with prior Board approval in the manner prescribed by State Law and Board policy. Advertisements for sealed bids or requests for proposals will be properly handled through the public media. Sealed bids based on authorized specifications or requests for proposals shall be received at a public bid opening and include all costs for labor and materials, bid bond, performance bond, and certificate of insurance. Bids will then be verified, tabulated, and submitted to the Board along with staff's recommendation for action. Formal contracts with appropriate signatures of both Board and contractor are required.

#### **(b) Between \$5,000 and \$25,000**

Purchases of products and/or services less than twenty-five thousand dollars (\$25,000) but more than five thousand dollars (\$5,000) or a sequence of related purchases in a fiscal year totaling between \$5,000 and \$25,000 require the written approval of the Executive Director and may be made in the open market, without newspaper advertisement and without following the procedure for formal contracts. Such purchases shall, whenever possible, be based on at least three (3) competitive written proposals from vendors.

#### **(c) Between \$500 and \$5,000**

Purchases equal to or less than five thousand dollars (\$5,000) but more than five hundred dollars (\$500) require the approval of the Executive Director and may be made without three (3) competitive proposals but shall be made with attention to the lowest reasonable cost consistent with the needs of the Library with regard to durability, performance, delivery, and service.

#### **(d) Below \$500**

Purchases less than five hundred dollars (\$500) require the approval of a Department Manager and shall be made with attention to the lowest reasonable cost consistent with the needs of the Library with regard to durability, performance, delivery, and service.

### **IV. Bids**

Except as otherwise provided by specific direction of the Library Board, all purchase orders or contracts for materials, equipment, or services in excess of twenty-five thousand dollars (\$25,000) shall be awarded, by free and open competitive bidding after advertisement and after



considering conformity with specifications, terms of delivery, quality, and serviceability, to the lowest responsible bidder or to another bidder when awarding the order or contract to the other bidder is determined by the Library Board to be in the best interest of the Library. However, bidding is not required in the following cases:

- Contracts for goods or services that are economically procurable from only one source;
- Contracts for the purchase of magazines, books, periodicals, electronic databases, and similar articles of an educational or instructional nature;
- Contracts for the services of individuals possessing a high degree of professional skill, where the ability or fitness of the individual plays an important part;
- Contracts for the maintenance or servicing of equipment that are made with the manufacturers or authorized service agents of that equipment;
- Goods or services that are procured from another governmental agency;
- Goods or services that are procured from a national purchasing cooperative that offers access to competitively procured purchasing contracts for governmental agencies (e.g. TIPS);
- Purchases of computer and technology hardware or software and contracts for the use or installation of computer and technology hardware or software;
- Contracts which by their nature are not adapted to award by competitive bidding, such as contracts for the printing or engraving of bonds, tax anticipation warrants, and other evidences of indebtedness; and contracts for utility services such as water, electricity, gas, internet, or telephone;
- In emergencies involving public health, public safety, or where immediate expenditure is necessary;
- Purchases of less than twenty-five thousand dollars (\$25,000).

#### **Section IV.01 Solicitation of Bids/Quotes**

The staff, as required by Board directive, shall seek bids (or quotations if bids are not specifically required) from the widest reasonable array of contractors, suppliers, and material laborers that time permits. This practice will produce the most competitive offers and terms available from the widest number of interested firms or individuals.

The Library may utilize a system of solicitation lists of the names, addresses, phone numbers, and other contact information of the firms or individuals who have expressed an interest in being notified as to particular types of contracts, equipment, supplies, or materials which AAPLD seeks to purchase. Library staff will curate lists of interested firms or individuals and add or remove firms or individuals from the list as requested or necessary. The firms or individuals on any such lists will be solicited directly by the staff to bid or quote on appropriate purchases, in addition to the requirements of advertising or other public notification mandated.

The inclusion of a firm or individual on a solicitation list shall not constitute any prequalification for bidding and shall not release the firm or individual from meeting any and all requirements set out in a particular contract, bid, quotation, or proposal. This system of solicitation lists is solely for purposes of supplementing the advertisement or notification requirements otherwise used, in order to avoid even the appearance of favoritism or lack of fair competition in the purchases or contracts of the Library.



## V. Emergency Expenditures

An emergency expenditure is defined as an expenditure which would be impossible to identify in advance due to its immediate and unexpected nature and for which a delay in payment would cause damage to or a significant loss of Library property, e.g., the necessity to hire a contractor to board up windows damaged by an auto collision.

### (a) \$25,000 or more

Emergency expenditures twenty-five thousand dollars (\$25,000) or more can be made only with the approval of the Executive Director and Board President and two other members of the Library Board. The initial Board inquiry to solicit approval may be by telephone, text, or email. The purchase shall then be included on the agenda to be ratified at the next Board meeting.

### (b) Between \$10,000 and \$25,000

Emergency expenditures less than twenty-five thousand dollars (\$25,000) but more than ten thousand dollars (\$10,000) can be made only with the written approval of the Executive Director and the Board President, or in the absence of the Board President, the written approval of the Executive Director and the Board Treasurer or Board Vice President. Initial inquiry to solicit approval of the Board is not required, but the emergency purchase shall be reported at the next meeting of the Board.

### (c) Below \$10,000

Emergency expenditures less than ten thousand dollars (\$10,000) can be made by the Executive Director. Initial inquiry to solicit approval of the Board is not required, but the emergency purchase shall be reported at the next meeting of the Board.