

## **Procurement Policy**

*KDLA provides this example policy to assist a library in developing and adopting their own policy. The example policy should be modified to meet the needs of your library and community and should be reviewed by the library's attorney prior to adoption.*

The library desires to make all purchases and contracts in a transparent and competitive manner that represents the interests of the library and the taxpayer. To achieve this, the Board adopted the Kentucky Local Government Model Procurement Code, KRS 45A.345-460 at its \_\_[date]\_\_ Board meeting. The library will make all contracts, leases, or other agreements for the purchase of materials, supplies, equipment, or contractual services in conformance with the provisions of the Model Procurement Code.

***The following local procedures for small purchases in no way modify the Local Model Procurement Code as adopted.***

### **Purchasing Authority**

Unless otherwise provided for in this policy, the director, or designee, shall have the authority to purchase or lease products or services within the budget adopted, and may sign contracts and other instruments of the board when authorized to do so by the board. All procurement expenditures are subject to audit.

Any purchase or procurement of \$8,000 or more not specifically included as an item within the approved budget shall be brought before the board for approval.

### **Purchases over Forty Thousand Dollars**

As required under KRS 424.260 and KRS 45A.385, all purchase orders or contracts for products or services in excess of \$40,000, except those exempted by the Local Model Procurement Code, shall be advertised for bid. Purchases may not be parceled, split, or scheduled over a period of time in order to subvert the intent of this requirement.

All such bid processes shall be conducted according to the provisions of KRS 424.130 and KRS 424.140.

### **State or Federal [GSA] Contract Pricing**

As authorized under KRS 45A.050, KRS 45A.420, and KRS 66.470, the library may purchase products and services outside of the bidding process if those products and services meet the specifications of price contracts awarded by the state Finance and Administration Cabinet or the Federal Government.

## **Purchases Less Than Forty Thousand Dollars**

Purchases of products and services less than \$40,000 but more than \$5,000 may be made in the open market, without newspaper advertisement. Such purchases shall, whenever possible, be based on at least three competitive written proposals or ascertained from vendor's price lists or other quote information. Award shall be made to the supplier offering the best value.

## **Purchases Less Than Five Thousand Dollars**

Purchases of products and services less than \$5,000 may be made without competitive proposals but shall be made with attention to the lowest possible cost, consistent with the needs of the library with regard to durability, performance, delivery and service.

## **Tax Exemption**

As provided for by KRS 139.470(6), the library is exempt from the Kentucky sales and use tax as applied to purchases of tangible personal property or services. This exemption applies only to purchases of property or services for use by the library. The exemption cannot be claimed by a contractor purchasing property to be used in fulfilling a contract with the library, or by a library employee or board member for their own personal purchases.

## **Payment**

All invoices and pre-payments shall be paid promptly in accordance with generally accepted business and accounting practices.

The director, in conjunction with the treasurer, shall be the disbursing officer of the board. In the absence or inability of the director or treasurer, these duties shall be performed by such other board member(s) or staff members as the board may designate.

Payments made by check in excess of \$2,500 shall be cosigned.

All disbursements shall be submitted for approval monthly by providing to the board a copy of the treasurer's report.

## **Purchasing Procedures**

The library's business office shall develop and implement procedures for regular auditing of library expenditures, and all other procedures necessary to carry out this policy.

Adopted by the \_\_\_\_\_ County Public Library Board of Trustees this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

[Reviewed 9/18/2023]