

PURCHASING POLICY

APPLIES TO: STLS Board of Trustees; STLS employees

REFERENCES: NYS Municipal Law, Article 5 (A) Section 103 and Section 104-b
STLS Authority of the board Policy
STLS Conflict of Interest Policy

It is the policy of the Southern Tier Library System (STLS) to obtain the maximum practical value when purchasing goods and services required for the effective operation of the organization consistent with the provisions of this policy, standard business practices and in accordance with applicable laws and statutes. STLS requires competitive bids for certain items and services to keep costs at a minimum; to give interested, qualified suppliers and equal opportunity to supply goods and services to STLS; and to guard against favoritism, extravagance and fraud, waste and abuse. This policy sets forth the provisions to ensure compliance with applicable NYS General Municipal Law and STLS policies. STLS is a cooperative library system. It is neither a political subdivision nor a district thereof and is not subject to General Municipal Law except when purchasing for a member library that must comply with NYS statutes.

Purchased Items - Purchased items include all goods and services obtained using STLS funds except the following: postage, travel, utilities and loans. All purchasing actions over \$50.00 (fifty dollars) in value will require a purchase order issued by the STLS Business Office.

Insurance and legal and professional services do not require issuance of a purchase order but will follow competition guidelines.

Authorization to Commit Funds and Sign Purchase Orders – The authorization to commit funds is described in the STLS Authority of the Board Policy, Commitment of Funds Section. Purchase orders may be signed by the Executor or his/her designee.

Competition Guidelines –

Formal Bids – When STLS executes procurement actions for member libraries that are required to comply with New York State Purchasing regulations, all purchasing actions will be in accordance with applicable New York State Municipal law.

When STLS executes procurement actions for itself or member libraries that are not required to comply with New York State Purchasing regulations, the following shall apply. All contracts for public works involving an expenditure of more than \$35,000.00 (thirty-five thousand dollars) and all purchase contracts involving an expenditure of more than \$20,000.00 (twenty thousand dollars) will be awarded based on best value resulting from responses from responsible suppliers to a written Request for Proposal or Request for Quote. STLS will issue a Request for Proposal or Request for Quotation as a basis for awards for professional services and insurance. Exceptions to the requirement for a formal bid or proposal are the same as described in Section 103 of NYS Municipal Law Article 5 (a).

Other Purchases – Purchases up to \$1500.00 (one thousand five hundred dollars) may be justified by catalog/retail pricing. Purchases from \$1500.00 (one thousand five hundred dollars) to \$3000.00 (three thousand dollars) require quotes from at least two qualified suppliers. Purchases over \$3000.00 (three

thousand dollars) require written quotations from at least three qualified suppliers. Purchases may not be fragmented to avoid higher approval authorities.

Single and Sole Source Purchases – Single source purchases are allowed.

Single source purchases are those in which other qualified sources may be available but competition would not be beneficial because of prior agreements or technical considerations. Sole source purchases are those in which there are no other qualified suppliers. In the absence of competition, reasonable attempts to negotiate fair and reasonable pricing are required.

Purchase Order Documentation - A file that includes a copy of the purchase order, records of quotes/bids, price analysis, packing slip, invoice, vendor claim form and approval stamp, and check or voucher number will be established for each purchase order issued and filed in accordance with established procedures. If it is a sole or single source procurement or the low bidder is not chosen justification for the price paid is required.

Receipt of Goods and Services – Receipt of goods and services will be verified in writing by a staff person other than the originator of the purchase.

Inspection and Monitoring – To ensure compliance with purchase order requirements, goods and services received will be inspected or verified by the originator of the request and results documented in the purchase order file. Services provided will be monitored by a staff person to ensure that contractual agreements are met.

Supplier Qualification – Reasonable efforts will be made to ensure suppliers providing goods and services to STLS are qualified and reputable. It is STLS policy to purchase goods and services from qualified local sources when prices are fair and reasonable.

Sales Tax Exemption – STLS is not required to pay New York State and local sales tax on purchased items.

Ethical Practices and Conflict of Interest - Individuals purchasing goods and services must conduct business in a professional manner and qualified vendors must be given an equal opportunity to compete for STLS business. Purchasing decisions should be made with integrity and objectivity, free from any personal bias or benefit. The STLS Conflict of Interest Policy provides specific guidelines regarding gifts and gratuities, and STLS persons holding interests in suppliers doing business with STLS. Employees who would benefit from a given prospective supplier selling goods or services to STLS may not participate in the supplier selection process.

Unauthorized Purchases – No individual may commit STLS funds without proper authorization.

Responsibility – The Executive Director of STLS has overall responsibility for purchasing for STLS and for implementing effective procedures that comply with the requirements of this policy and demonstrate effective internal controls.