

Purchasing Policy Update

- Last updated in 2009.
- Researched best practices from the Government Finance Officers Association (GFOA).
- Reviewed Purchasing Policies of our sister libraries in Colorado.
- Compared our policy to these libraries.
- Presented updated Purchasing Policy to the Executive Team, PCCLD Directors, and Public Services Managers for feedback.

Authoritative Literature

1. Government Finance Officers Association, *Finance Policies* by Shayne C. Kavanagh

Chapter 16, Procurement Policies; 3. Purchasing Authority p. 281

"A board policy might define the spending parameters in dollars for different levels of the procurement process. Higher-dollar transactions generally call for a more detailed process, While lower-dollar transactions generally do not justify the overhead cost of a more in-depth process. This gives the board assurances that competitive procedures are being followed for larger purchases, while providing staff the flexibility to use less elaborate procedures for smaller transactions".

No set dollar amount specified within the authoritative literature for Procurement Policies.

Purchasing Policy Limit Comparison

Library District	Arapahoe Library District - 8 Branches - \$32.4 million budget	Douglas County Libraries - 7 Branches - \$29.8 million budget	Garfield County Libraries - Rifle, CO - 6 Branches - \$9.0 million budget	High Plains Library District - Greeley, CO - 7 Branches - \$37.1 million budget	Jefferson County Public - 10 Branches - \$38.5 million budget	Pikes Peak Library District - Co Springs, CO - 15 Branches - \$36.5 million budget	Poudre River Public Library District - Fort Collins, CO - 4 Branches - \$10.7 million budget
Bids required	No set amount	No set amount	\$15,000	\$20,000	\$10,000	\$10,000	\$15,000
Limit Approval Price Solicitation	No limit on budgeted items Exec Dir or designee Exec Dir or designee are authorized to expend the approved budget with the following limitations: * expenditures with a single vendor which exceeds \$100,000	Up to 25,000 Exec Director No requirement for budgeted, normal, reoccurring operating expenditures.	Up to 14,999 Exec Dir/Asst Informal, verbal or telephone bids or quotes	Up to 20,000 Designee PO system Requisition only	Up to \$9,999 Designee PO system Small purchase documentation Informal email or shopping cart showing detailed prices and date If over \$5,000 needs PO in system	Up to 10,00 CFO No bids required	Up to 7,499 Manager & Dir of Finance No bids required, but encouraged
Limit Approval Price Solicitation	* intergovernmental agreements * facility leases and real estate transactions * financing transactions * payment of judgements against the District and/or settlements of lawsuits and threats of lawsuit	Over 25,000 Board of Trustees The Board also approves: * consulting services over \$10,000 * intergovernmental agreements * district-wide merit increases & salary adjustments * employee benefit plans * capital items over \$50,000 * facility lease and real estate transactions * financing transactions * legal settlements	Over \$15,000 Board of Trustees 3 or more invitations to bid published within county or district	20,001 - 50,000 Exec Dir Telephone/written bids; minimum 3 vendors	10,000-24,999 Designee PO system 2 or more formal written quotes	10,000 - 100,000 Executive Dir Minimum of 3 bids/quotes required	7,500 - 14,999 Manager & Dir of Finance PO and invoice. No bids required, but encouraged
Limit Approval Price Solicitation				Over 50,000 Board of Trustees Formal request for proposal; minimum 3 vendors	25,000-49,999 Designee PO system 3 or more formal written quotes	Over 100,000 Board of Trustees Formal RFP process	15,000 - 49,999 Manager & Dir of Finance Minimum of 3 quotes. PO and invoice.
Limit Approval Price Solicitation					Over 50,000 Executive Director Formal solicitation / bid (RFP) Required		Over 50,000 Manager & Dir of Finance & Exec Dir RFP or sealed bid. PO and invoice.

Purchasing Policy Limit Comparison

Library District	Pueblo City-County Library District - Pueblo, CO - 7 Branches - \$13.0 million budget	
	CURRENT POLICY	PROPOSED POLICY
Bids required	\$1,000	\$10,000
Limit Approval Price Solicitation	Under 200 Department Supervisor Bids not required	Up to 4,999 Department Supervisor Bids not required (competitive pricing maybe requested)
Limit Approval Price Solicitation	200 - 999 Department Supervisor Purchase requisition only. Bids not required	5,000 - 9,999 Department Supervisor & CFO or designee Bids not required (competitive pricing maybe requested)
Limit Approval Price Solicitation	1,000 - 4,999 Department Supervisor PO; 3 telephone, fax, catalog or written bids	10,000 - 24,999 Exec Dir PO and invoice. Minimum of 3 quotes/bids
Limit Approval Price Solicitation	5,000 - 24,999 Exec Dir PO; 3 written bids	Over 25,000 Board of Trustees PO; formal RFP
Limit Approval Price Solicitation	25,000 and above Board of Trustees PO; formal RFP	

Purchasing Policy Proposed Updates

- Increase dollar amount for requiring bids.
- Adjust purchase chart to reflect bid requirement change.
- Update narrative for:
 - Cooperative Purchase Programs
 - Purchase Order / Requisition
 - Procurement Cards (P-Cards)
 - Bid Record Summary