

# **Hopkins County-Madisonville Public Library PROCUREMENT**

## **Board of Trustees "10 Essentials" Policy**

(Model Procurement Code Not Adopted)

As the governing authority of the Hopkins County-Madisonville Public Library District, the Board is authorized to enter into contracts and otherwise purchase products and services necessary to "establish, equip and maintain libraries...and do all things necessary to provide efficient library service." (KRS 173.745(1)).

### **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 \$5,000 or more not specifically included as an item within the approved budget shall be brought before the Board for approval.

### **Purchases over Twenty Thousand Dollars**

As required under KRS 424.260, all purchase orders or contracts for products or services in excess of twenty thousand dollars (\$20,000), except those exempted below, must 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 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.

### **Competitive Bidding Exemptions**

The following purchases are exempt by law or Finance and Administration policy from competitive bidding. However, the Board may elect at any time to solicit bids or proposals for purchase of exempt products and services in order to obtain the best value for the Library.

- Contractual services where no competition exists, such as electrical energy, telephone service, and other public utility services. KRS 45A.095 45A.380(2)
- Contractual Services of a licensed professional, such as attorney, physician, psychiatrist, psychologist, certified public accountant, registered nurse, or educational specialist; a technician such as a plumber, electrician, carpenter, or mechanic; or an artist such as a sculptor, aesthetic painter, or musician, provided however, that this provision shall not apply to architects or engineers providing construction management services rather than professional architect or

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engineer services, when a written determination has been made that competition is not feasible. KRS 45A.380

- Subscriptions for the purchase of periodicals in either paper or electronic format. A subscription may include a professional journal, newspaper, or other required publication. KRS 45A.050, 45A.380(1)
- Copyrighted material in either paper or electronic format for which only one sources of supply is available. Items commonly covered under this section include:
  - Library books. KRS 45A.095, KRS 45A.380(1)
  - Published books, maps, periodicals, and technical pamphlets. KRS 45A.050, 45A.380(1)
  - Works of art for museum and public display. KRS 45A.050, 45A.380(1)
  - Services of a visiting speaker, professor, expert witness, or performing artist. KRS 45A.095, 45A.380(3)
  - Rates fixed by law or ordinance. KRS 45A.09
  - Cooperative purchases made between state agencies, political subdivisions, state universities, agencies of other states, or agencies of the federal government. KRS 45A.300, 45A.420
  - Advertisements, public media, public displays, billboards, signage, and booths. Dissemination of information and the purchase or rental of promotional related items for library use. (for clarification, see FAP 111-09-00 45A.380[2])
  - Equipment repair service and parts. (for clarification see FAP 111-09-00, 45A.380[5])
  - A product or service for which there is only one (1) known capable supplier as occasioned by the unique nature of the requirement, supplier, or market condition. (for clarification, see FAP 111-10-00, 45A.380[2])
  - Contracts for group life insurance, group health and accident insurance, group professional liability insurance, workers compensation insurance, and unemployment insurance. KRS 45A.380
  - A product or service made necessary by an emergency which will cause public harm as a result of the delay in competitive procedures. KRS 45A.380

### **Purchases Less Than Twenty Thousand Dollars**

Purchases of products and services less than twenty thousand dollars (\$20,000) but more than five thousand dollars (\$5,000) may be made in the open market, without newspaper advertisement. Such purchases shall, whenever possible, be based on at least three (3) 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 five thousand dollars (\$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.



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### Tax Exemption

As provided for by KRS 139.470(7), the Library is exempt from the Kentucky sales and use tax as applied to purchases of tangible personal 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 \$5,000 shall be cosigned.

All disbursements shall be submitted for approval monthly by providing to the Board a copy of the Treasurers report.

### Purchasing Procedures

The Library's Business Office shall develop and implement procedures for regular auditing of Library's expenditures, and all other procedures necessary to carry out this policy.

Adopted by the Hopkins County-Madisonville Public Library Board of Trustees this 9th day of January, 2014.

Carolyn Ferrell, President

*All previous versions of this policy are null and void.*

Last Reviewed:

Date Revised:

