

PURCHASING POLICY

The North Judson-Wayne Township Public Library (the Library) shall comply with all rules and regulations of the State Board of Accounts (SBOA) when purchasing goods, supplies, materials, equipment, and services.

State and Federal laws - All purchases will be made within the legal requirements of the laws of the State of Indiana and of the United States.

Purchasing Authority

The Library Board of Trustees is the Purchasing Agency and appoints the Library Director as its Purchasing Agent.

At the Director's discretion, other personnel and contractors may make purchases under \$500 subject to this policy.

Tax Exemption - As the North Judson-Wayne Township Public Library is an exempt municipality, amounts paid for sales tax will not be reimbursed. A tax exemption certificate is available in the Business Office.

Purchasing Guidelines and Procedures

- a. Pursuant to Indiana Code 5-22-15-21, supplies manufactured in the United States shall be specified and purchased by the Library.
 - i. There shall be exceptions to this rule when the purchasing agent determines that any of the following apply:
 1. The supplies are not manufactured in the United States in reasonably available quantities.
 2. The price of the supplies manufactured in the United States exceeds by an unreasonable amount the price of available and comparable supplies manufactured outside the United States.
 3. The quality of the supplies is substantially less than the quality of comparably priced available supplies manufactured outside the United States.
 4. The purchase of supplies manufactured in the United States is not in the public interest.
 - ii. Preferences will be given to products manufactured in Indiana and to those offered by Starke County businesses when cost, quality and timeliness of delivery are judged to be reasonable.
 1. Under IC 5-22-15-16, a price preference of 10% is available to suppliers offering supplies that contain recycled materials or post-consumer materials.

2. For purchases resulting in a contract, a price preference of 5% is available to suppliers that qualify as a “local Indiana business”, as defined in IC 5-22-15-20.9.
3. A price preference of 15% is available to suppliers that qualify as an “Indiana small business”, pursuant to IC 5-22-15-23.
 - a. A supplier who wants to claim a preference provided by this policy must indicate in the quote which preference is claimed, and the supplier must certify that it qualifies for the stated preference. In order to be considered for the Indiana small business preference, suppliers must provide the purchasing agent with information regarding the number of employees employed by the supplier and the average sales and receipts for the prior year.
 - b. The purchasing agent will use the “U.S. Small Business Administration Table of Small Business Size Standards...” in assessing whether a particular supplier qualifies as a small business.
 - c. Suppliers are only eligible to claim 1 type of preference. The purchasing agent shall follow the procedures outlined in IC 5-22-15-10 in assessing purchasing preferences.
 - a. If the Library expects the purchase to be less than \$5,000, this shall be considered a minor purchase, and the purchase may be made without the prior approval of the Purchasing Agency.
 - b. Any purchase costing \$5,000.00 or more requires the approval of the Purchasing Agency. This provision excludes library materials or electronic services — those items purchased for the use of library patrons — which are exempt from the restrictions of this policy in accordance with IC 20-14-3-14.
 - i. Purchases under \$50,000 shall be considered tier-one small purchases, which may be made on the open market. The purchasing agent shall compare prices from as many responsible suppliers of the goods or services required as is practical, and the agency shall purchase from that supplier where total costs are lowest, when quality and timeliness of delivery are comparable.
 - ii. For purchases costing between \$50,000 and \$150,000, which shall be considered tier-two small purchases, the Library shall solicit quotations from three or more vendors known to provide the goods or services required, as specified in and pursuant to IC 5-22-8-3.
 - iii. For any purchase exceeding \$150,000, the Library shall prepare Requests for Proposal (RFP) as specified in IC 5-22-9 or follow the competitive bidding procedures as specified in IC 5-22-7, except for those conditions which allow for special purchasing methods as defined in IC 5-22-10.
 - c. Purchases shall not be artificially divided so as to circumvent purchasing procedures detailed in above.

- d. The Library's Purchasing Agent(s) shall consider the provisions of the contract, cost, vendor experience, and any other factor deemed appropriate by the Purchasing Agency in selecting any provider of goods or services.

Purchase Orders

According to the SBOA Manual (section 3-17), purchase orders are used in conjunction with the Library Financial and Appropriation record. The purchase order (PO) is made for certification of an unobligated balance being available in the appropriation fund in compliance with the law. This will require the encumbering of appropriations for each purchase order as it is approved. It is necessary that all purchase orders are approved by the Library Director.

Petty Cash

A petty cash fund may exist and be maintained for the purpose of paying small or emergency items with operating funds. A receipt must document each disbursement made from the fund. Periodically a check will be printed by the Business Office to reimburse the fund for disbursements made. Reimbursements will be made in the same manner as required for other disbursements for the library. The Director shall ensure that the petty cash fund is used in compliance with IC 36-1-8-3 and SBOA recommended procedures.

Use of Credit Cards and Charge Accounts

The Library may use (a) credit card(s) pursuant to the following guidelines.

The Purchasing Agency must authorize credit card use through an ordinance or resolution that has been documented in the minutes.

The purposes for which any authorized credit card may be used must be specifically stated in the ordinance or resolution.

Purchases made with a credit card or on a charge account must occur in accordance with the Library's purchase order guidelines and procedures.

The credit card will remain locked in the accounting office until needed. The Library Director will maintain a system or log which will include the names of individuals requesting usage of a credit card, their position, their department, date and time taken and date and time returned.

When the purpose for which the credit card has been issued has been accomplished, the card should be returned to the custody of the Library Director.

If properly authorized, an annual fee may be paid.

The Business Office Manager will pay statements in a timely manner to avoid any interest, carrying charges, or penalties due to late payments. Procedures for payments should be no different than for any other claim. Claims filed in connection with the use of the credit card or charge account must be itemized.

All purchasing agents shall retain and submit prior to the receipt of the monthly statement a copy of any sales receipt, invoice, or similar appropriate documentation for any credit card expenditure with itemized description.

If a credit card be lost or stolen, the Library Director and the issuer must be notified immediately and notification must be given to the Board of Trustees at the next scheduled Board meeting.

Credit card or charge account expenditures must be within the guidelines of the particular activity of the approved budget.

Credit card purchases may not exceed an individual's credit limit on their Library credit card. There are no exceptions.

Adopted: 12/08/16

Amended: 08/10/17