**Administrative Policy Section 1: Procurement**

All purchases of the library must be approved by the Executive Director (or their designee) and the Chief Fiscal Officer (or their designee), except in situations (as described later in this policy) where Board approval is necessary before making the purchase.

All expenditures of library funds require a purchase order. A purchase order represents the library’s agreement to pay funds for goods or services described in the purchase order. When accepted by a vendor, and in the absence of other controlling terms, it constitutes the agreement between the library and vendor with respect to the stated goods and services. Purchase orders are signed by the Fiscal Officer or Deputy Fiscal Officer, who certifies that the expense is legal, that funds have been previously appropriated by the Board of Trustees, and that monies are available or in the process of being collected prior to signing.

Library staff are expected to use reasonable diligence in finding the best prices for all goods and services obtained for the library.

Contractors for professional services used by the library must provide evidence of creditworthiness, proof of bonds or insurance, and comply with other reasonable requests of trustworthiness.

**1.1 BOARD APPROVAL**

Except in cases of urgent necessity, prior approval from the Board of Trustees is needed for:

1. Salaries and Benefits:
   * a. Salaries and benefits for Executive Director, the Fiscal Officer, and the Deputy Fiscal Officer.
   * b. All changes to the Pay Bands and to staff benefit plans.
2. Purchased and Contracted Services:
   * a.  Advertising for bids and letting contracts for repairs that are required to be formally bid under Ohio law.
   * b.  Building and equipment maintenance and custodial service agreements/contracts where the total cost of the projects is expected to exceed $10,000.
   * c.  Information systems/technology hardware/software maintenance agreements where the total cost of the contract is expected to exceed $25,000.
   * d.  Insurance policies where the total premium for the covered period is expected to exceed $5,000.
   * e.  Building lease/rental agreements where the total cost for the covered period is expected to exceed $5,000.
   * f.  Contracts for Professional Services (i.e. contracts with architects, engineers, accountants, auditors, management consultants, attorneys, surveyors, etc.) where the specific contract is expected to exceed $5,000.
3. Library Materials and Information:
   * a.  Library materials contracts where the total cost of the contract is expected to exceed $25,000.
4. Capital Outlay and Purchases:
   * a.  Advertising for bids and letting contracts for land improvements, building improvements and construction of new library buildings as required under the bidding laws for Ohio libraries.
   * b.  The purchase of land, buildings, and easements.
   * c.  The purchase of furniture and equipment that has been formally bid as a part of a capital project.
   * d.  The purchase of furniture and equipment from a specific vendor when that vendor is to receive a purchase order in excess of $5,000.
   * e.  The purchase of all motor vehicles requires prior board approval.
5. Debt Service:
   * a.  Capital lease or lease-purchase agreements in which the total cost is expected to be greater than $5,000.
   * b.  Professional service contracts for purposes of assisting in debt financing when the total contract price is expected to exceed $5,000.
6. Other Expenditures:
   * a.  Organizational memberships and all contract or memberships in cooperative-type projects when the total cost for the covered period is expected to exceed $15,000.
   * b.  Payment of all judgements and findings against the library.

In all instances, two or more purchase orders may not be combined to avoid spending limits. Projects may not be piecemeal in nature to avoid spending limits. Library staff are encouraged to consult the Board in situations where there is any question about the spending limits requiring Board approval.

It shall be fully understood that the administration shall have the authority to make all necessary purchases for the library, without first obtaining Board approval, if the money has been appropriated and the purchase is authorized within this policy. If it is found that this policy is in conflict with any federal, state or local law, the law shall take precedence. This policy is meant to be general in nature, and in situations where purchases or expenditures are covered by more specific Board policy, the more detailed and specific policy shall take precedence.

The Board may disclaim responsibility and liability for any expenditure, credit card purchase, or contractual agreement in its name by an unauthorized person or any person acting outside this policy. The expense of such disclamation will become the personal liability of the individual who acted improperly.

**1.2 QUOTATIONS FOR PRICES**

For those purchases not falling under the requirements of sections 3375.41 (bidding) and 153.65-153.1 (professional design services) of the Ohio Revised Code, quotations for prices are required for the purchase of any good or service over $5,000 in total. Contracts with one vendor for a similar good or service cannot be split in order to override this requirement. Price quotations from multiple vendors are preferred. However, if it is determined by the Director that there is only one vendor that specializes in this type of good or service, a quotation from only one vendor will be acceptable. Final selection of quotations for goods and services will be those that are in the best interest of and/or represent the best value of the library.

**1.3 CREDIT CARDS**

1. This policy applies to all (i) payment cards, checks or other payment instruments associated with a credit account issued by a financial institution or a retailer, and (ii) payment cards related to the receipt of grant funds. All such cards and instruments are referred to herein as “credit cards”.
2. This policy does not apply to procurement cards (P-cards), or to gas cards or other payment cards that are capable of use only for the purchase of certain limited types of goods.
3. For purposes of the policy, the Deputy Fiscal Officer may perform the functions of the Fiscal Officer in the absence of the Fiscal Officer.
4. The library will not obtain or maintain any debit cards.
5. Credit cards will be established in the name of the Chillicothe & Ross County Public Library with a maximum credit limit not to exceed $ 10,000.
6. The Fiscal Officer will work with the appropriate financial institutions that issue credit cards to determine the best type of credit card accounts for the library, and also to determine which store credit card accounts the library will utilize.
   * a.  The Fiscal Officer is responsible for working with the issuing financial institution to determine the dates when credit cards expire and the re-issuance of replacement cards.
   * b.  The Fiscal Officer is responsible for determining, when necessary, the need to cancel a credit card account and any adjustment to credit limits on the credit cards.
   * c.  The Fiscal Officer is responsible for notifying the issuing financial institution of a lost or stolen card. Library personnel using a credit card must notify the Fiscal Officer when they become aware that a card is lost or stolen.
7. Credit cards will be kept in the office of the Fiscal Officer and may be signed out to authorized library personnel as necessary. The credit card should be promptly returned to the office of the Fiscal Officer once the purchases for which it was checked out have been made.
8. Credit cards may be signed out only to the following library personnel:
   * a.  Executive Director
   * b.  Chief Fiscal Officer
   * c.  Deputy Fiscal Officer
   * d.  Assistant Directors
   * e.  Managers
   * f.  Assistants
9. A credit card may not be used by anyone other than the individual to whom it is signed out.
10. Prior to initial receipt of a credit card, each individual must agree to and sign the Credit Card Responsibility and Use Procedures.
11. The Board authorizes the use of Library credit cards for use in connection with Board- approved or library-related activities and for only those types of expenses that are for the benefit of the Library that serve a valid and proper public purpose shall be paid for by credit card. Credit cards will be used primarily for travel expenses to conferences and/or workshops and pre-payment of materials when required by a vendor. In any event, credit cards may be used only for expenditures that are within the applicable budget and departmental guidelines.
12. For each purchase made using a credit card, an itemized, signed receipt indicating the amount paid, the vendor, and the goods/services purchased must be submitted to the Fiscal Officer promptly following the purchase.
13. Use of a credit card for personal expenditures, for expenditures in excess of the applicable credit limit, or otherwise in violation of this policy constitutes a misuse of the credit card. Any Library personnel engaging in misuse of a credit card will be responsible to reimburse the Library for any unauthorized expenditures and may be subject to disciplinary action up to and including termination of employment.
14. If a credit card is lost or stolen, or if any library personnel become aware of unauthorized or fraudulent use of any of the Library’s credit card accounts, the same must be reported immediately to the Fiscal Officer.
15. All monthly credit card statements and other correspondence associated with the credit card accounts will be sent to the Chillicothe & Ross County Public Library. Payment of the monthly statements must be made in a timely fashion so that finance charges and late payment fees are not incurred.
16. On an annual basis, the Fiscal Officer will submit a report to the Library Board of Trustees regarding all credit card rewards received by the library.