

Vandergrift Public Library

Bid, Procurement, and Purchasing Policy and Procedures

Adoption Date: 07/08/2026 by the Board of Vandergrift Public Library

Policy / Procedures Number: 005

Purpose of Policy: The Bid, Procurement, and Purchasing Policy and Procedures of Vandergrift Public Library provide clear guidelines and responsibilities for purchasing goods and services. These guidelines include steps for reviewing and selecting the best proposals for the library's needs. Full and open competition is encouraged as well as cost-effective purchasing for the library. This process also ensures the library's finances are handled transparently and in alignment with internal controls. This policy and related procedures are conducted in a manner consistent with applicable state and federal laws, and covers the following:

- **Approving Purchases:** Who can approve purchases and expenses.
- **Purchasing Guidelines:** How the library purchases goods and services.
- **Procurement and Purchasing Methods:** The different ways to purchase (informal, formal, noncompetitive) goods and services, and when bidding is required.
- **Cost or Price Analysis and Evaluation of Proposals Received:** How the library evaluates the cost or price, and the quality of proposals received for purchases.
- **Exemptions from Competitive Bidding:** When certain purchases do not need to go through a competitive bidding process.
- **Contracts and Negotiations:** How the library contracts and negotiates for goods and services.
- **Ethics and Conflicts of Interest:** Ensuring fairness and avoiding conflicts of interest in the purchasing process.
- **Required Documentation and Retention of Records:** What paperwork needs to be kept for purchases, and how long to retain it.
- **Federal Award of Funds (also referred to as grants) Impact on Bids, Procurement and Purchasing:** How the use of federal funding affects the library's purchasing and bidding.
- **Annual Audit/Financial Review:** A yearly review of financial records to ensure all purchases comply with internal controls.

Scope of Policy and Related Procedures: The policy and related procedures apply to all employees and board of trustees of Vandergrift Public Library.

Definitions:

- **Audit/Financial Review:** A professional check by an external accounting firm to make sure the library's financial records are correct, and proper procedures are followed.
- **Bid:** A price offered by a vendor for a good or service.
- **Blanket Order:** A type of order where supplies are purchased from a vendor, with multiple deliveries scheduled over a period of time.
- **Bulk Orders:** Buying a large amount of supplies or products all at once.
- **Competitive Bid/Procurement Process:** A process where several vendors submit their offers, and the library picks the best one based on certain criteria.
- **Construction:** Building, changing, or fixing buildings or other property.
- **Contract:** A legally binding agreement where the vendor agrees to provide goods or services, and the library agrees to pay for them.
- **Debarment:** When a vendor is banned from working with the library due to certain reasons.
- **Expenditure:** Any money the library spends on goods or services.
- **Federal Funds:** Money the library gets from the federal government through grants (most commonly from the Office of Commonwealth Libraries in the Grants to States Program).
- **Goods:** Physical items like products, books, or supplies the library buys.
- **Micro-Purchase:** Small purchases that do not require a formal bidding process because they cost less than a certain amount.
- **Non-Competitive Bid/Procurement:** When the library buys from only one vendor without asking for bids from others, usually because it is not practical or necessary.
- **Procurement/Acquisition:** The process of buying goods or services, often involving multiple steps.
- **Proposal:** A formal offer from a vendor explaining what goods and services they will provide.
- **Purchase Order (PO):** A document created by the library to request goods and services from a seller that confirms payment for goods or services will be made at a later date.
- **Purchase Requisition:** A request by library staff to start the process of buying goods or services.
- **Quote:** A document from a vendor listing the prices they offer for goods and services.
- **Request for Proposals (RFP):** A document from the library asking vendors to submit proposals to complete a project.
- **Sealed Bid:** A written proposal kept sealed until a set date when all bids are opened.
- **Service Contracts:** An agreement between the library and a vendor outlining the terms for a specific service to be provided.
- **Simplified Acquisitions:** A method of buying goods or services that do not require formal bids or proposals.

- **Simplified Acquisition Threshold:** The threshold amount for small informal purchases.
- **Sole Source Acquisition:** A purchase made by the library from just one vendor after negotiating directly with them.

Staff and Board Trustee Responsibilities:

1. **Know the Policy and Procedures:** Familiarize yourself with the Bid, Procurement, and Purchasing Policy and Procedures to understand how purchases of goods and services are handled.
2. **Keep Records:** Follow the rules for keeping financial documents to ensure everything is organized for audits.
3. **Follow Other Policies and Procedures:** Make sure to also follow the Cash Management Procedure, Disposal of Surplus Property and Materials Policy, Conflict of Interest Policy, and Document Retention Policy along with the Bid, Procurement, and Purchasing Policy and Procedures.

Staff Procedures:

The Library Director manages all purchasing processes and ensure all staff involved in purchasing are properly trained.

1. **Approving Purchases:**
 - a. All expenses must be approved in the library's yearly budget. If there are any unexpected or substantial expenses that were not planned for, the Board of Trustees must approve them. No purchase should be made until the Board approves a budget change.
 - b. The Library Director can approve or deny purchase requests based on this policy and procedures.
 - c. The Library Director can assign staff to obtain price quotes and bids, following this policy and procedures.
 - d. All spending is checked against the budget to make sure the library does not overspend its funds.
2. **Purchasing Guidelines:**
 - a. The Vandergrift Public Library's budget year runs from January 1 to December 31. Every year, the Board of Trustees approves the library's budget, giving the Library Director the financial tools and guidelines to manage the operations of the library.
 - b. At least once a month, the Director will review financial reports with the Treasurer. These reports will show the library's financial status, including overall financial position.
 - c. Purchases cannot be made if there is no money available in the budget or specific category for that purchase. The Board must approve a budget change if necessary.

3. Procurement and Purchasing Methods:

The following methods are used to manage purchasing and procurement, and align with the Code of Federal Regulations for Uniform Grant Guidance ([2 CFR §200.320](#)). Also refer to sections 2 CFR §§ [200.317](#), [200.318](#), [200.319](#) for further information.

Vandergrift Public Library is required to have a clear procurement policy and procedures that explain how purchases are made, based on state laws or any other relevant laws for libraries. This policy is regularly reviewed to ensure alignment with the latest federal laws and applicable dollar thresholds, and if state laws are stricter, those rules must be followed.

For small purchases, informal procurement is used to speed up transactions, reduce paperwork, and save costs for the library. Formal procurement methods must be used when the purchase amount exceeds a certain limit (also known as the Simplified Acquisition Threshold), and these require public notice.

- a. **Procurement by Micro-Purchasing (Informal):** Micro-purchasing is used for everyday transactions as long as they are within the approved budget. This method is used for purchases of supplies or services totaling no more than \$9,999. Whenever possible, the library will try to spread these small purchases among different vendors.

Guidelines that apply for micro-purchasing:

- i. **Purchases ranging from \$0.01 to \$1,000.00:**
 1. No purchase requisitions or purchase orders are needed.
 2. Vendor lists are created, and authorized library staff signers are assigned for purchasing.
 3. Multiple quotes are not required.
 - ii. **Purchases ranging from \$1,000.01 to \$9,999.00:**
 1. The Director must initiate these purchases with the Library Board's approval.
 2. Purchase requisition / documentation is required.
 3. Vendor lists are created, and authorized library staff signers are assigned for purchasing.
 4. Bulk discounts should be asked for whenever possible, and quotes for discounts should be obtained from suppliers the library regularly uses.
 5. Blanket orders are used to get specific items delivered over a set period (6 months to a year) in order to take advantage of discounts and reduce the need for frequent re-ordering of commonly used items.
- b. **Procurements with small purchase procedures (Informal):** This applies to purchases that do not exceed the Simplified Acquisition Threshold. Small purchase procedures allow for simple and informal purchasing, as long as

price quotes are obtained from a sufficient number of qualified vendors. Competitive quotations may not be needed if the price is reasonable. The library will try to distribute these small purchases fairly among different suppliers. These purchases must be within the approved budget and approved by the Library Director.

i. **Purchases ranging from \$10,000 to \$23,199:**

1. The Library Director must initiate these purchases, with the Library Board's approval.
2. Purchase requisitions and purchase orders are required.
3. Vendor lists are created, and authorized library staff signers are assigned for purchasing.
4. At least two price quotes from vendors must be obtained.
5. This includes purchases of single items or bulk items, and bulk discounts should be requested.
6. Comparison options are presented and discussed with the Library Director who approves the purchase.

- c. **Procurement by sealed bids (Formal):** For purchases over \$23,199 (over the Simplified Acquisition Threshold) sealed bids are requested publicly by Vandergrift Public Library. A firm price contract (either lump sum or unit price) is awarded to the bidder who meets all of the terms and conditions and offers the lowest price. These purchases should be planned in the budget, but if they are needed urgently and not included in the budget, the Board must approve moving funds within the budget.

i. **For purchases over \$23,199:**

1. The Library Director can make these purchases or contracts with the approval of the Library Director and the Board of Trustees.
2. Purchase requisitions and purchase orders are required.

ii. **Sealed bids are preferred for construction projects:** The sealed bid method is preferred for construction projects if the following conditions apply:

1. A complete and clear description of what is being purchased is available.
2. Two or more qualified bidders are willing to effectively compete for the work.
3. The purchase can be made with a fixed-price contract, and the selection will primarily depend on the lowest price.

iii. **If sealed bids are used, the following requirements apply:**

1. Bids must be solicited from at least three qualified sources, giving them enough time to respond before the bids are opened.

2. The invitation for bids must clearly define the items or services, including any required specifications, so the bidder can properly respond.
3. Formal bids must be advertised properly with a due date for submitted bids.
4. Bids should be mailed or delivered in sealed envelopes to the library.
5. All bids will be opened at the time and place mentioned in the invitation for bids.
6. A cost or price analysis and evaluation process will be followed to fairly assess all bids that meet the library's requirements.
7. The Board of Trustees must approve the chosen vendor and document it within the minutes of a board meeting.
8. The library must document and explain why any proposals were rejected.
9. A fixed-price contract is awarded in writing to the lowest responsible bidder. When required, factors like discounts, transportation costs, and life-cycle costs will be considered in determining the lowest bid. Payment discounts will only be factored in if they are determined to be relevant based on past experience.

- d. **Procurement by competitive proposals (Formal):** Vandergrift Public Library uses a Requests for Proposals (RFPs) process for procurement by competitive proposals. This method is used when more than one company submits an offer, and a contract (either fixed price or cost-reimbursement) is awarded. It is typically used when sealed bids are not appropriate. These purchases should be planned in the budget, but if they are needed urgently and not included in the budget, the Board must approve moving funds within the budget.

If an RFP process is used, the following apply:

- i. RFPs must be publicly announced, clearly stating all evaluation factors and their importance. Any response to these proposals must be considered in a practical manner.
- ii. A cost or price analysis and evaluation process will be followed to fairly review all proposals that meet the library's needs.
- iii. Proposals must be solicited from at least five qualified sources. If it is not possible to get the required number, the reason must be documented.
- iv. The Board of Trustees must approve the chosen vendor.
- v. The library must document and explain why any proposals were rejected.

- vi. Contracts must be awarded to the company whose proposal is most beneficial to the program or project, considering both price and other factors.
 - vii. For professional services like architectural or engineering work, the library uses competitive proposals based on qualifications instead of price, meaning the company's experience and expertise are considered, and the most qualified company is chosen, with fair and reasonable payment negotiated. The method may not be used to purchase other services provided by architectural or engineering firms.
- e. **Noncompetitive Proposals:** Noncompetitive proposals are purchases made without seeking multiple bids and can be initiated by the Library Director with the approval of the Library Board. These purchases should be planned in the budget, but if they are needed urgently and were not included in the budget, the Board must approve moving funds within the budget.

Procurement by noncompetitive proposals means obtaining a proposal from only one source (also known as sole source acquisition), and this method can only be used if one or more of the following applies:

- i. The total cost of the purchase is under the micro-purchase threshold.
- ii. The item is available only from a sole supplier or source.
- iii. There is an emergency where waiting for competitive bids could harm or endanger individuals or prevent library operations from continuing.
- iv. The federal awarding agency or Office of Commonwealth Libraries as a pass-through entity allows noncompetitive proposals after the library makes a request in writing.
- v. After solicitation of several sources, the library finds that competition is too limited.

Noncompetitive procurements must follow the Code of Federal Regulations for Uniform Grant Guidance ([2 CFR § 200.320\(c\)](#)).

4. **Cost or Price Analysis and Evaluation of Proposals Received:**

- a. Vandergrift Public Library determines an estimated cost as a starting point before any bids or proposals are received. The library then conducts a cost or price analysis for every procurement over \$10,000, including any contract modifications ([2 CFR § 200.324](#)). A cost analysis involves evaluating the separate costs that make up the total price. A price analysis means evaluating the total price, without looking at the individual costs.
- b. Costs or prices based on estimated costs for contracts under a federal award of funds are determined allowable based on [2 CFR § 200 Subpart E – Cost Principles](#).

- c. When doing a cost analysis, the library negotiates the profit as a separate part of the price. To determine a fair profit, the library considers the following factors:
 - i. How complex the work is.
 - ii. The amount of risk the contractor takes on.
 - iii. The contractor's investment.
 - iv. How much subcontracting is involved.
 - v. The contractor's past performance record.
 - vi. The typical profit rates in the area for similar work.

5. **Exemptions from Competitive Bidding:** A competitive bidding process is not required for the following:

- Advertisements
- Employee benefits
- Fees for job-related travel, seminars, conference registrations, and staff training
- Insurance
- Legal services
- Library collection materials
- Membership fees for professional organizations
- Postage
- Property (real estate)
- Subscriptions to periodicals
- Utility services

6. **Contracts and Negotiations:**

- a. It is never acceptable to split a purchase or change the delivery of a purchase just to avoid following this policy or breaking any state or federal laws.
- b. For purchases in large quantities or from frequently used vendors, a list of approved vendors is maintained, and the library regularly asks for discount information.
- c. Purchase requisitions and purchase orders are required for all library equipment, furniture, and supplies.
- d. A staff member fills out the purchase requisition, and approval of the requisition is required by the Library Director, Finance Director, or Department Manager.
- e. After the purchase requisition is approved, a purchase order is created, signed by the staff member who requested it, and sent to the vendor. The purchase order should include the following details:
 - i. Item description
 - ii. Budget number
 - iii. Item quantity

iv. Price from vendor

A signed copy of the purchase order is kept and attached to the invoice or statement. Both documents should then be submitted to the Finance Director for payment.

- f. **Time and Materials Contracts:** This type of contract is based on the actual cost of materials and the hours worked, which are charged at fixed hourly rates. These rates include wages, administrative costs, and profit. Vandergrift Public Library Library may use a time and materials contract only if:
- i. It is determined that no other type of contract would work.
 - ii. The contract includes a maximum price (ceiling) that the contractor cannot exceed without taking on the risk themselves.

Since this contract type does not have a fixed price, it does not encourage the contractor to control costs or work efficiently. Each contract has a ceiling price, and if the contractor goes over it, they are responsible for the extra cost. The library closely monitors these contracts to make sure the contractor is using efficient methods and controlling costs effectively.

7. Ethics and Conflict of Interest:

- a. All bids are public records, meaning anyone can view them.
- b. Vandergrift Public Library follows our Conflict of Interest Policy when handling bids or purchasing goods and services. No staff member or board member who has a conflict of interest with a vendor, contractor, or organization can be involved in purchasing goods or services or selecting and managing a contract ([2 CFR § 200.318](#)).
- c. The Vandergrift Public Library Board of Trustees has the right to reject any or all bids if it is in the best interest of the library.
- d. **Full and Fair Competition:** All procurement should be made in a way that ensures fair competition ([§ 200.319 \(Competition\)](#) and [§ 200.320 \(Procurement Methods\)](#)). To avoid unfair advantages, those who write the requirements for a bid cannot also compete for the contract. Some actions that can limit competition include:
 - i. Requiring businesses to meet unreasonable qualifications.
 - ii. Asking for unnecessary experience or excessive qualifications.
 - iii. Non-competitive pricing between companies.
 - iv. Giving contracts to consultants who already have ongoing agreements with the library.
 - v. Using one specific brand where other products could be suitable.
 - vi. Making arbitrary decisions during the procurement process.
- e. **Supporting Minority and Women-Owned Businesses:** Vandergrift Public Library actively encourages and makes efforts to include minority

businesses, women's businesses, and companies in areas with high unemployment in the bidding process. This includes:

- i. Adding qualified minority and women-owned businesses to solicitation lists.
 - ii. Soliciting these businesses to bid when possible.
 - iii. Dividing larger purchases into smaller ones to allow these businesses to participate.
 - iv. Establishing delivery schedules to encourage participation by these businesses.
 - v. Using the services and assistance of organizations like the [Pennsylvania Department of Community and Economic Development's Small Business Assistance](#).
 - vi. Requiring the prime contractor, if subcontracts occur, to take the affirmative steps listed above.
- f. **No Geographical Preference:** The library does not favor companies based on location unless required by federal laws. For certain services like architectural and engineering work, location can be considered if it ensures a fair number of companies can still compete for a contract.
- g. **Pre-qualified Lists:** Any list of businesses, people, or products used for procurement must be up-to-date and include enough options for fair competition. The library also allows new businesses to qualify during the bidding process.
- h. **Clear Solicitation Language:** When requesting bids, the library ensures that all descriptions of the required goods or services are clear and do not unfairly limit competition and align with [2 CFR § 200.319\(b\)](#). Descriptions may explain what the material, product, or service is needed, and if needed, list the basic features and standards to meet to be suitable for the intended purpose. The description will also mention any extra requirements the bidders must meet and outline the criteria used to evaluate the bids and proposals. Detailed product specifications are avoided unless necessary, and the evaluation criteria for bids is clearly stated.
- i. **Avoiding Unnecessary or Duplicate Purchases:** The library tries to avoid buying unneeded materials and products and looks for ways to reduce costs, such as consolidating purchases. An analysis is also made whether products or materials should be leased versus purchased. Vandergrift Public Library avoids the acquisition of unnecessary or duplicative items. These considerations are part of the process determining the allowability of each purchase when made with federal funds.
- j. **Cooperative Purchasing:** The library works with other organizations, when possible, to save money by sharing resources or purchasing together as permitted by the Intergovernmental Cooperation Act and the Commonwealth Procurement Code ([53 Pa. C.S. Ch. 23](#); [62 Pa. C.S. Ch. 19](#)) and Uniform Grant guidance for the use of federal funds.

- k. **Using Surplus Property:** The library considers using surplus federal property instead of buying new equipment when feasible and reduces costs of a project.
- l. **Debarment and Suspension:** Vandergrift Public Library only works with contractors who are capable of doing the job successfully under the terms and conditions of proposed procurement and who comply with local, state, and federal laws. Consideration will be given to such matters as contractor integrity, compliance with public policy, record of past performance, and financial and technical resources. The library does not contract with any business or organization that is banned or suspended from working with government contracts. For contracts over \$10,000, the library checks that contractors are not excluded from doing business ([2 CFR Part 200, Appendix II](#), and [2 CFR §§ 180.220 and 180.300](#)).
- m. **Settling Procurement Issues:** The library is responsible for resolving issues that arise during the procurement process, such as disputes, claims, or protests, using good judgment and following the law, and does not take away the library's responsibility to fulfill its contracts. If the law is broken, the issue will be reported to the appropriate local, state, or federal authorities, and legal counsel is consulted to resolve the issue.
- n. **Protest Procedure:** If there is a dispute about procurement, the library has procedures in place to handle and resolve them. All local, state, and federal laws are followed, and legal counsel is consulted to resolve the issue.

8. **Required Documentation and Retention of Records:**

- a. Vandergrift Public Library keeps records that clearly show the details of all purchases, following this policy, the library's Document Retention Policy, and related retention schedules. When federal funds are used, the library follows the record-keeping rules outlined in [2 CFR § 200.334](#). The records kept include, but are not limited to:
 - i. Reason for choosing the procurement method.
 - ii. Choice of contract type.
 - iii. Decision on contractor selection or rejection.
 - iv. Explanation of how the contract price was determined, including any cost or price analysis.
 - v. Confirmation the contractor is not suspended or debarred from doing business.

9. **Federal Award of Funds (also referred to as grants) Impact on Bids, Procurement and Purchasing:**

- a. Vandergrift Public Library follows this policy when using federal funds to purchase goods and services.

- b. There are four methods of competitive purchasing when federal funds are involved (more details about these methods are in the Procurement and Purchasing section of this policy):
 - i. Micro-purchasing
 - ii. Small purchases
 - iii. Sealed bids
 - iv. Competitive proposals
- c. When using federal funds, the library makes sure to follow the applicable Code of Federal Regulations for Uniform Grant Guidance for competitive purchasing ([§ 200.319 \(Competition\)](#), [§ 200.320 \(Procurement Methods\)](#), and [§ 200.323\(Procurement of recovered materials\)](#)), unless federal regulations allow for a direct purchase from a specific source (also known as sole source procurement).

10. Annual Audit/Financial Review:

- a. An annual audit or financial review is completed by the Vandergrift Public Library's external accounting firm to assess the performance of the internal controls process and to address any weaknesses in the process.
- b. On a yearly basis, the board of trustees, library director, and staff who handle financial responsibilities will review the Bid, Procurement, and Purchasing Policy and Procedures to ensure the internal controls in place are effective.

Board Procedures:

The Vandergrift Public Library's board of trustees is legally responsible for fiscal oversight of the approved budget, regular review of financial reports, and engages in long-term planning to support the mission and financial sustainability of the library. The board works with the library director to prepare the annual budget. The Board Treasurer oversees the library's bank and other financial accounts and oversees all organizational financial records. If the Treasurer is unavailable, the Board President can take over these duties. The Library Director assists the board with financial management and supervises the staff who handle financial records related to the bid, procurement, and purchasing processes.

Monitoring for Compliance and Consequences:

All bids, procurements, and purchases made by Vandergrift Public Library will be checked and audited to ensure everything is correct. All staff involved in the procurement process will undergo background checks. You are responsible for following the Bid, Procurement, and Purchasing Policy and Procedures to make sure all accounting practices and internal controls are properly followed. If the policy and related procedures are not followed, you

could face disciplinary action, legal action, and termination from your position at the library.

Policy Notice: This policy is subject to change without notice.

Original Approval and Amendments:

Policy originally approved by Vandergrift Public Library Board 7/8/2026.