



Procurement Policy

The following policies and procedures shall be followed when the Union Library Company of Hatborough (“ULCH”) purchases equipment, materials, supplies, property, or services from an outside source.

I. General Policy

No Conflict of Interest. All employees, board members, or agents who participate in the selection or acceptance of a contract for equipment, materials, supplies, or services must comply with the ULCH Conflict of Interest Policy. No director, employee, or agent will participate in the selection or acceptance of a contract involving a conflict of interest without the approval of the board. “Conflict of interest” includes situations in which the employee, family member, or board member has a financial interest in the business or individual selected for the contract.

No Purchase of Items for Personal Use. No director, employee, or agent who participates in the selection or acceptance of a contract for equipment, materials, supplies, or services shall use such items for personal use except for items of small value (generally under \$20) available to staff and key volunteers.

No Receipt of Gratuities. No director, employee, or agent shall solicit or accept gratuities, favors, or anything of value from contractors, potential contractors, or parties to agreements with the ULCH.

No Purchase of Items Not Approved in the Budget. No director, employee, or agent shall solicit or accept any equipment, materials, supplies, or services costing over \$3,000 that have not been approved by the Board of Directors in the annual budget without prior approval of the board, except in case of an emergency repair. In case an emergency repair is necessary, the board shall be notified in detail of the expense no later than its next regular meeting.

Document Cost Analysis. The ULCH shall conduct a cost analysis and document the analysis in conjunction with every purchase over \$3,000, or if otherwise required by regulation or contract. The director shall create documentation for the lack of competition if competitive bids or offers are not obtained.

Contract with Winning Bidder. If a contract is competitively bid, the ULCH will enter into a contract with the winning bidder that specifies the equipment, materials, supplies, property, or services to be purchased and the payment terms.

II. Acquisition Procedure

ULCH will conduct all procurement transactions in a manner that maximizes opportunities, increases quality, and reduces the cost of purchase. The ULCH reserves the right to reject any bids or offers, if deemed to be in its best interest.

Pricing Procedures. One of the following procurement procedures shall be utilized for all purchases of equipment, materials, supplies, property, or services involving federal funds or involving amounts over \$3,000:

- Open Market Inquiry. The ULCH will inquire in the open market to ensure an advantageous price and quality. The file shall document the inquiries made and offers received.

- Request for Competitive Quotes. The ULCH will request competitive quotes, in writing, from at least three different sources. The director shall document each invitation made and offer received.

- Formal Proposal Procedure. The ULCH will solicit competitive responses through a formal bid procedure. Bids will remain sealed until the time designated in the proposal. All requests for proposals shall contain the phrase “Equal Opportunity Employer.”

III. Property and Equipment Policy

When purchasing property (both real estate and equipment), the following procedures must be followed: Title in the Name of the ULCH. All property purchased belongs to the ULCH and title vests with the ULCH.

Property Inventory. All property valued above \$5,000 owned by the ULCH shall be listed in annual audit reporting.