

**PROCUREMENT: LIBRARY COLLECTION MATERIALS AND RESOURCES**

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**MANAGEMENT GUIDELINES**

To protect the assets of the Library, a strong internal control framework must operate to ensure that purchases of Library collection materials and resources are authorized, appropriate for the mission and operations of the Library, and are in compliance with the annual budget allotment.

The following policies and management guidelines should be read in conjunction with this management guideline:

- B-OP-07 Collection Policy
- B-FIN-12 Procurement, Purchasing and Payment Approval
- MG-FIN-12.2 Procurement: Other Than Library Collection Materials
- MG-FIN-12.3 Purchasing & Payment Approval Authority: Library Collections Materials and Resources

**OVERVIEW**

The North Vancouver District Public Library shall procure Library Collections Materials and Resources in a manner that obtains best value and/or price, manages risk, treats suppliers with fairness and complies with applicable policies and governing regulations, for the purpose of meeting public demand and expectation of quality Library services.

Best value considers paradigm shifts that continue to impact suppliers of Library materials. These shifts include consolidation, less competition and technological changes including shifts to an increasingly digital economy.

**PURCHASING PRINCIPALS AND BEST PRACTICES**

This guide is based on the following purchasing principles and best practices :

- Library Collection Materials and Resources must be procured in a competitive environment wherever possible and practical.
- Competitive processes will be administered to the highest standard possible in order to promote fairness, consistency, and transparency.
- Group purchasing power will be leveraged through consortiums, subscription agents, licensing agencies and other strategies applicable to procure relevant Library Collection Materials and Resources.
- Library Collection Materials and Resources requirements should be planned well enough in advance to allow for the most appropriate procurement processes to occur (i.e. creation of the competitive bid document, advertising, engaging the supply community, etc.)
- To achieve *Best Value* for the Library, relevant *Total Cost of Ownership* factors must be considered for the acquisition of Library Collection Materials and Resources.

- Purchases of Library Collection Materials and Resources must comply with Library policies and all other Provincial and Federal laws, regulations and trade agreements that apply. Specifically, purchases of Library Collection Materials and Resources must comply with the Canadian Copyright Act and Book Importation Regulations, which requires libraries in Canada to use the services of Canadian wholesalers, distributors and publishers to acquire collections.

Procurement of all Library Collection Materials and Resources best meets the Library's needs by:

- Following the Library Collection Policy (B-OP-07) and supporting the current Library Strategic Plan.
- Ensuring that the guiding principles and selection criteria found in the Library Collection Policy (B-OP-07) are followed.
- Following the procurement principles and best practices in Procurement, Purchasing & Payment Approval (Acquisitions) (B-FIN-12) and this management guideline.
- Using the District's professional procurement staff to action standard competitive bid processes applicable to relevant Library Collection Materials and Resources.
- Regularly reviewing procurement methods and vendors of Library Collection Materials and Resources.
- Ensuring the selection and retention of Library Collection Materials and Resources is delegated to qualified and knowledgeable staff who employ the criteria outlined in the Library Collection Policy (B-OP-07), this management guideline (MG-FIN-12.1) and other related policies.

## PROHIBITIONS

(Excerpted from *District's Administrative Policy 3-1220-2 Procurement of Goods and Services*; adapted here for clarity.)

The following activities are prohibited:

- 1) Division of purchases to avoid the dollar limits or requirements specified within policy;
- 2) Committing the Library to acquisitions or contracts without approved budget funding for the intended purchase(s) and/or without the appropriate authority to do so;
- 3) The release of supplier's written or oral bid information where it has been designated as confidential by the supplier. This practice is unethical, and may be illegal, as well as damaging to the Library's competitive position. Requests of this nature are to managed through the District's Supplies and Risk Management Department;
- 4) Purchase by the Library of goods and services solely for the personal use on behalf of any member of the Board, employees or their immediate families;
- 5) Purchase by the Library of goods and services from any member of the Board, employee(s) or their immediate families or from any other source(s) that would result in a conflict of interest (refer to policy B-HR-14 Conflict of Interest);
- 6) The purchase of any Library owned goods and services by a member of the Board, employee(s) or their immediate families, unless it is goods the Library is selling for profit (e.g. promotional items), is available to the general public, or is deemed to have no commercial disposal value; and
- 7) The purchase (by bid, auction or any other means) of any Library goods by an employee of the Library or their immediate families if the Library employee:
  - a. works at an auction run by the Library for the disposal of goods;
  - b. is responsible for declaring goods surplus to the Library needs;

- c. is responsible or otherwise involved in the maintenance of goods selected for disposal;
- d. is otherwise involved in the disposal of goods surplus to Library's needs.

## COMPETITIVE BID REQUIREMENTS

Wherever possible and practical, the Library will follow standard competitive bidding practices described in MG-FIN-12.2 for Library Collection Materials and Resources except where the procurement of these are exempt from standard competitive bidding practices (see B-FIN-12 – Procurement – Purchasing and Payment Approval, Authority to Act) due to the uniqueness of how they are procured through other methods including consortiums, public library systems, etc. as described in Definitions.

Where procurement of Library Collection Materials and Resources are exempt from competitive bidding practices and are procured through other methods as defined, then single and sole sourcing documentation requirements apply for initial procurements greater than \$5,000.

## RELATED POLICIES

- B-FIN-12 Procurement, Purchasing & Payment Approval (Acquisitions)
- B-OP-07 Collection Policy
- MG-FIN-12.2 Procurement: Other Than Library Collection Materials
- MG-FIN-12.3 Purchasing & Payment Approval Authority: Library Collection Materials and Resources
- MG-FIN-12.5 Use of Purchasing cards
- MG-FIN-12.6 Invoice Approval
- B-HR-14 Conflict of Interest

## DEFINITIONS

**Library Collection** -- the entirety of the physical materials and digital resources acquired, retained, organized and managed for public use by the NVDPL Library on behalf of the community, in accordance with the Collection Policy (B-OP-07.) The collection includes but is not limited to:

- **Books** including paperbacks, hard and softcover, audiobooks, ebooks, e-audiobooks, reference books.
- **Periodicals** including magazines, journals, newspapers, microfilm, digital periodicals and databases.
- **Audiovisual formats** including DVDs, Blu-rays, CDs, albums, multi-format kits, streaming media, devices required to use library digital collections such as e-book readers, tablets and MP3 players.
- **Special collections** including files, ephemera, datasets, images, maps and discs.

- **Databases and digital collections** including periodical indexes, statistics, legislation, Apps for digital resources, digital music and e-learning platforms. Digital resources may be licensed or owned.

## LIBRARY CATALOGUING AND COMPUTER TERMS

- **Integrated Library System (ILS)** -- An integrated set of computer applications designed to assist in performing the business and technical functions of a library with modules including: Acquisitions, Cataloguing, Circulation and a public access catalogue. An Acquisitions module allows for the generating, submitting and tracking of Purchase Orders, Vendor Tables, Budget Management Reports, and receiving and invoicing of materials.
- **9XX ordering** - An order record format used when library staff selects materials for ordering on a vendor's website. The vendor will produce a file of MARC bibliographic records where each record contains information about an order for the title described in the bibliographic record. The order information is in one or more local use (9XX) tags in the record.
- **MARC records** are machine-readable cataloging records, meaning a computer can read and interpret the data in the cataloging record.
- **Bibliographic records** are entries in a bibliographic index (or a library catalog) which describe a specific resource such as a book, DVD, or CD.
- **EDIFACT** (ISO 9735) is the international standard for electronic data interchange or EDI. The term stands for Electronic Data Interchange for Administration, Commerce and Transport.

## PROCUREMENT METHODS

1. **Firm orders:** Materials and resources that have been selected for purchase by library professionals. For example, a specific book, DVD, CD, or journal that the Library wants to add to the collection.
2. **Standing orders:** Open orders for all titles that fit a particular category or subject. For example, these are usually developed for serials and the Library knows that it will want anything published in that particular series. A benefit to this style of ordering is that it is automatic--the Collections department does not have to order the next in series.
3. **Automatic Release Plans (ARP):** A procurement plan where a vendor supplies copies of newly published titles from a descriptive profile established in advance by the Library. For example, the latest novel by a bestselling author.
4. **Subscriptions:** Used to acquire periodicals, journals, newspapers and serials. Similar to standing orders, a Library only has to develop a contract once with a vendor or publisher and the items are automatically delivered when printed. Often, subscriptions are for a specific length of time and must be renewed at the end of the contract.
5. **Licenses:** A contract or portion of a contract that defines explicitly the rights to use a product or service that the licensor is granting to the licensee. A license to use digital information or resources gives the licensee permission to access and use the information under the terms and conditions described in the agreement between the licensor and the licensee, usually in exchange for compensation. Licenses govern most of the Library's digital collection.
6. **Gifts:** See NVDPL Policy - Library Gifts in Kind Materials (B-OP-09.)
7. **Local Purchases:** When Selection Librarians acquire a purchase order authorizing a pre-agreed amount to be spent in a specific local retail outlet. Occasionally used with community groups to

encourage public engagement in collection building for the Library or to acquire an item in an efficient way when no other purchasing methods will meet the current, immediate demand. A typical way to purchase locally is with a Manager's Purchase Card.

8. **Direct Order:** Single sourcing an order for materials placed by acquisitions staff directly with the author, publisher or other supplier, instead of via a vendor. Direct order is a technique used when the author or publisher will not use the services of a vendor or wholesaler, or when the vendor or wholesaler cannot supply the item in a timely fashion.
9. **Consortium:** An organization comprised of a number of partners which negotiates on behalf of the larger member base to secure better pricing and terms from a vendor. Consortium purchasing provides the library the ability to acquire collection materials or resources at a reduced rate since a consortium licensing agreement is always less than what the Library would pay if it negotiated with the vendor directly. Examples of NVDPL membership in organizations that are, or that may act as consortia include:

1. **BC Libraries Cooperative:** The BC Libraries Co-op is a limited-liability, non-profit corporate body registered under the Cooperative Association Act of BC. Self-described as an "Enterprising Not-for-Profit" and a "Technology Leader", the Co-op is a hybrid between a traditional library consortium and a technology start-up. The organization provides a number of benefits to members, including supporting consortium purchasing and economies of scale, and saving money by making the most of open source technology. Canadian libraries of all types, as well as archives, museums and related organizations are invited to join the BC Libraries Cooperative. Individuals are not eligible for membership. A one-time \$50.00 membership fee entitles member organizations to appoint an individual to represent the organization in Co-op governance. Participation is voluntary and member organizations retain their autonomy. New members sign the BC Libraries Cooperative Service Management Agreement. The Co-op is a member of Consortia Canada – a coalition of Canadian library consortia working together to license electronic information resources of national interest and relevance. Membership includes over 200 Libraries and institutions across Canada.

2. **InterLINK:** Public Library InterLINK is the business name of the InterLINK Federated Public Library System, a successful co-operative federation of eighteen autonomous public libraries in B.C., with 82 branch locations. It operates as a Library Federation according to the Library Act of British Columbia (1994) Section 49 and is governed by a library board constituted in accordance with that act. Current InterLINK Member Libraries signed an InterLINK Agreement (June 5, 2001), and pay an annual membership fee based on a per capita formula approved by the InterLINK Board. Other fees and compensations also apply. InterLINK was established April 1st, 1994 after operating for 19 months as a pilot project funded by the Ministry of Municipal Affairs and its twelve-member public library boards - Bowen; Burnaby; Coquitlam; Fraser Valley; New Westminster; North Vancouver City; North Vancouver District; Port Moody; Richmond; Surrey; Vancouver and West Vancouver. InterLINK is built upon the foundations of the Greater Vancouver Library Federation, which operated from 1975-1994. InterLINK provides a number of services to Member Libraries and to the Public, including free access to resources available at all 82 branch locations, with the convenience of borrowing from and returning to any location, and the ease of using one library card for the entire InterLINK system. Other benefits relate to access to Audiobooks, world languages book collections, and services for youth. Interlink acts as a consortium to facilitate bulk buying of multi-language materials for member libraries.

## APPENDIX A: DIRECT PURCHASE AWARDS

### Excerpted from the District's Purchasing Procedure Manual (Section 8 – October 2015)

In the case of a *Direct Award Purchase* it is difficult to know if *Best Value* has been achieved as no comparisons are obtained or available. For this reason, *Direct Award Purchases* are not normally considered *Best Practice* and should be avoided whenever possible. **Single Source** and **Sole Source** are both considered to be *Direct Award Purchase* methods, and the specific circumstances whereby this type of purchase method is permitted are described in this appendix.

A *Direct Award Purchase* may involve an oral agreement, direct negotiation, a written or oral quotation or even a written contract. The dollars involved, the complexity of the purchase and known risk factors will determine the award process, including the level of documentation required. This method is easy for users in that it is quick to administer and it requires little analysis or comparison, however, this method foregoes all of the benefits associated with competition.

**Single Source** (*more than 1 product/service/vendor exists in the marketplace*).

In certain circumstances, justification to support a *Single Source* may exist. Single sourcing may be justified under one or more of the criterion listed below:

- **Compatibility with Existing Equipment** – the product being purchased directly interfaces or attaches to equipment currently in service, and/or is a replacement or repair part for existing equipment where having identical vendor equipment or parts makes operational and fiscal sense and where the part is considered to be superior in quality.
- **Continuation of Services** – where a service agreement or contract requirement is in place and needs to be extended due to circumstances such as increased scope of a project and where bringing in a new service provider would be detrimental to project quality or would unduly extend the project completion date, etc. Every attempt should be made at the start of service agreements to properly identify the project scope and to include, where practical, a contingency to allow for completion of the project.
- **Specialized Products or Services** – the product or service is specialized or unique.
- **Urgent Timeline** – the time frame for the acquisition is urgent due to uncontrollable circumstances. A situation where lack of planning has caused the urgent timeline is not considered justification to single source.
- **Standardization** – certain circumstances may warrant buying the same product(s) or service(s) as previously purchased. Justification may include ease of maintenance, minimizing replacement parts required, operator familiarization with equipment, ergonomics, etc.

- **Purchases From or For:**
  - testing or trial use;
  - exercising a purchase option on a lease or rental contract;
  - a non-profit organization;
  - an auction or bankruptcy situation;
  - real property; and
  - other circumstances as warranted - recognizing there may be other circumstances that warrant single source justification, the District will consider departmental requests for single sourcing that have strong rationale. It is likely that a more detailed, justification will be required in this case.

**Sole Source** (*only 1 product/service/vendor exists in the marketplace*).

*Sole Source* purchases of products or services **must** meet at least one of the following criteria:

- **Unique Qualifications and Skills of Contractor** - only one contractor or service provider has the unique qualification or skills needed for the project.
- **Unique Product or Service** - the product or service in question is unique and cannot be sourced elsewhere in the marketplace and is the only product or service that will satisfy the requirement. If there are similar products or services available that will generally satisfy the requirement, the Single Source guidelines will apply.
- **Monopoly Controlled Market Situations** - the supply of products or services is controlled by a monopoly supplier and cannot be sourced elsewhere (e.g. a public utility company such as BC Hydro).
- **Computer Software Renewal Licenses and Software Development or Maintenance** – this occurs when the license renewal and maintenance for software can only be obtained from a single source, normally the developer of the software. This includes conversions, modifications and/or maintenance of currently owned software.
- **Purchases For:**
  - subscriptions and publications;
  - travel, training, and conferences; and
  - professional dues, memberships, etc.
- **Other** - there may be other circumstances where there is no alternative but to sole source to a particular vendor.