



WESTMONT PUBLIC LIBRARY

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westmontlibrary.org

Providing the community with the keys to lifelong learning.

Purchasing Policy

PURPOSE

The Purchasing Policy is established to manage the purchasing process in accordance with the law, spend taxpayers' money wisely and fairly, and protect against fraud and favoritism. This policy requires all parties involved in the procurement, negotiation, performance, and administration of Library contracts to act in good faith. The Library's Purchasing Policy applies to every expenditure made by the Library.

AUTHORITY TO SPEND AND PROCUREMENT PROCESSES

The Board of Trustees works with the Library Director to establish the Budget and Appropriations, the Levy Request, Budget of Projected Revenues, and the Working Budget. These documents provide the framework for all spending. Under the direction of the Library Board of Trustees, the Library Director and the Director's designees have the authority to purchase or lease products or services to provide the best and most efficient public library services possible. The Trustees, Library Director, and the Director's purchasing designees responsible for more than \$5,000 in annual purchases shall file Ethics Statements with the DuPage County Clerk on an annual basis.

Staff and Trustees will manage procurement processes in accordance with the law. Library Trustees, Library Director, staff, and vendors will comply with applicable laws which include but are not limited to the following:

- Illinois Local Library Act 75 ILCS 5
- State Officials and Employees Ethics Act 5 ILCS 430
- Governmental Joint Purchasing Act 30 ILCS 525
- Prevailing Wage Act 820 ILCS 130
- Local Government Prompt Payment Act 50 ILCS 505
- Local Government Professional Services Selection Act 50 ILCS 510
- Public Contract Fraud Act 30 ILCS 545
- Public Construction Bond Act 30 ILCS 550
- Illinois Wage Payment and Collection Act 820 ILCS 115

Library Board

In accordance with the Illinois Local Library Act 75 ILCS 5, and except as otherwise provided, all purchase orders or contracts for capital expense products in excess of twenty-five thousand dollars (\$25,000) shall be let by free and open competitive bidding and, after public advertisement, be awarded to the lowest responsible bidder. The Library Board will approve all publicly bid contracts and expenses.

Director

All purchases and contracts authorized by the Library Director will be made with attention to the lowest possible cost, quality, performance, delivery, and service capability. Purchases and contracts that are between five thousand dollars (\$5,000) and twenty-five thousand dollars (\$25,000) may be made without competitive bid

requirements, but shall, whenever possible, be based on at least three (3) documented price quotes. Purchases and contracts between five thousand dollars (\$5,000) and twenty-five thousand dollars (\$25,000) that are not identified in the working budget, require approval from the Library Board. Purchases and contracts that are under five thousand dollars (\$5,000) may be made at the Library Director's discretion. Purchases and contracts may be awarded where the Library Director determines that it is not feasible to secure quotes or that there is only one source for the required goods or services such as library collection materials, and/or maintenance or service contract for equipment where the work will best be performed by the manufacturer or authorized agent.

Director Designees

Purchases or contracts up to three thousand dollars (\$3,000) may be made by the Library Director's designees with attention to the lowest possible cost, quality, performance, delivery, and service capability. When possible and practical, three (3) documented price quotes will be obtained for purchases between one thousand dollars (\$1,000) and three thousand dollars (\$3,000). Purchases not identified in the working budget require approval from the Library Director.

Emergency Procurements

Failure to comply in a timely manner with this Purchasing Policy shall not prima facie constitute an emergency. In emergency situations, the Library Director will inform the Library Board of the emergency. The Library Board President has authority to authorize the Library Director to take necessary action to resume service. If the Board President is not available the Library Director may take necessary action with approval from two standing Board members. The Library Director will have the authority to spend up to \$25,000 per vendor to resolve the situation and resume services. The Library Director shall use the following procedures in emergency situations:

- 1) A Decision Memo stating the reason for the determination of the emergency shall be provided to the Library Board in a timely manner.
- 2) The Library Director with the Library Board President or two standing Board members shall be empowered to negotiate and execute contracts without prior approval of the Library Board.
- 3) A Purchase Order, along with all written documentation, shall be submitted to the Library Board for ratification at a Library Board meeting. If the next scheduled meeting is more than 14 (fourteen) days hence, a special Board meeting will be called.

Cooperative Joint Purchasing

Subject to applicable state statutes, the Library may participate in, sponsor, conduct, or administer a cooperative purchasing agreement for the procurement of goods, services, or construction with one or more public procurement units in accordance with an agreement entered into between the participants. Such cooperative purchasing may include, but is not limited to, joint or multi-party contracts between public procurement units and open-ended state public procurement unit contracts, which are made available to other public procurement units after having been bid by another public procurement unit where required.

Multi-Year Contracts

All multi-year contracts presented for approval shall contain the total value of the award for the multiyear period. Only the current fiscal year portion shall be encumbered.

PAYMENT FOR GOODS AND SERVICES

All invoices for goods and services received by the Library must be reviewed and approved by designated staff to verify receipt and price. The associated vouchers for payment will be reviewed and approved by the Library Director or Assistant Director.

Credit Card

The Library Director and Assistant Director are authorized to make purchases for the Library with the credit card in cases where the best value is available by a vendor who will not accept a purchase order, payment cannot be made by check in a timely manner, or where an automatic online payment ensures no late fees. A list of all credit card charges will be presented for approval to the Library Board at their monthly meeting.

Petty Cash

The Library will maintain a petty cash fund of \$500 for small purchases. The funds will be in the safekeeping of the administrative office with a record of all payments. All payments will be approved by the Library Director or Assistant Director prior to disbursement and funds will be replenished each month.

Expense Reimbursement

In accordance with the Illinois Wage Payment and Collection Act 820 ILCS 115, the Library will reimburse employees' pre-approved necessary expenses that are incurred for work related duties at the benefit of the employer. Each employee is responsible for assuring that expenses are eligible for reimbursement and for submitting the required documentation for reimbursement. Employees must fill out a reimbursement form for such expenses and have the form pre-approved by the Library Director or Assistant Director. This does not include any losses due to an employee's negligence, losses of normal wear, or any losses because of theft, unless the theft is because of the negligence of the Library. The Library reserves the right to deny a reimbursement that was not pre-approved. Tax will not be reimbursed for any purchases since the Library is a tax exempt entity. This does not include any travel related expenses, which is covered in the Travel Reimbursement Policy.

INTERNAL CONTROLS

Internal controls have been established with recommendations from the accounting services, auditor, and General Accounting Standard Board (GASB). These controls exist to minimize risk whenever Library funds are being handled. Controls includes written procedures requiring oversight and the segregation of duties in order to prevent misuse of Library funds.

Primary Check Run

Whenever possible, invoices will be paid through the primary check run, which is closed out the week before the monthly Board meeting. The list of checks in the primary check run is presented to the Library Board for approval prior to payment. Invoices will be present at each Board meeting for closer inspection.

Secondary Check Run

Invoices may be included in a secondary check run scheduled to coincide with accounts payable processing. The list of checks in the secondary check run is presented to the Library Board for approval prior to payment. Invoices will be present at each Library Board meeting for closer inspection.