



WESTMONT PUBLIC LIBRARY

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westmontlibrary.org

Providing the community keys to lifelong learning

Purchasing Policy

PURPOSE

The purpose of this Purchasing Policy is established in order to manage the purchasing process in accordance with the law, spend taxpayers' money wisely and fairly, protect against fraud and favoritism, and meet the needs of WPL residents through continuous improvement of systems and procedures. This policy requires all parties involved in the procurement, negotiation, performance, or administration of WPL contracts to act in good faith. The Westmont Public Library's Purchasing Policy applies to every expenditure of public funds by the library.

AUTHORITY TO SPEND

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 or the director's designees shall have the authority to purchase or lease products or services to provide the best and most efficient public library services possible, provided that the amount budgeted in any such budget expense line shall not be exceeded without prior approval of the Library Board.

Manage the procurement process in accordance with the law

Library Trustees, Director, staff, volunteers, and vendors will comply with applicable laws which include but are not limited to the following:

Illinois Local Library Act 75ILCS 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

Library Board

In accordance with Chapter 75 ILCS 5/5-5 and except as otherwise provided, all purchase orders or contracts for capital expense products in excess of twenty thousand dollars (\$20,000) shall be let by free and open competitive bidding, after public advertisement, to the lowest responsible bidder. The Library Board will approve all expenses

Director

All purchases and contracts authorized by the Director will be made with attention to the lowest possible cost, quality, performance, delivery, and service capability. Purchases or contracts that are over twenty thousand dollars (\$20,000) must comply with the competitive bid process as outlined in Chapter 75 ILCS 5/5-5. Purchases or contracts that are between five thousand dollars (\$5,000) and twenty thousand dollars (\$20,000) 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 thousand dollars (\$20,000) that are not identified in the working budget, require approval from the Library Board. Purchases or contracts that are under five thousand dollars (\$5,000) may be made at the Director's discretion.

Director Designees

Purchases or contracts up to three thousand dollars (\$3,000) may be made by the 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 Director.

Professional Services

Contracts for the services of individuals possessing a high degree of professional skill, where ability and fitness of the individual plays an important part, such as with legal or consulting services, may be made by obtaining written proposals and through an interview process.

Sole-Source

A contract may be awarded where the Library Director determines that it is not feasible to secure bids 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. In other situations, the Library Director may determine that it is in the best interest of the library to consider only one supplier who has previous expertise relative to procurement. A designee in this situation shall prepare supporting documentation for review and approval by the Library Director. Whenever the Library Director determines that it is not feasible or is not in the library's best interest to satisfy the minimum bid requirements, the reason for this determination shall be indicated in writing in a Decision Memo and shall be retained with the contract. Such contracts in excess of \$20,000 shall be presented to the Library Board for approval to waive bids and for approval to enter into a formal contract.

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 secure the safety of patrons and staff. The Library Director will then inform the Library Board President of the emergency. The Board President will authorize the Director to take necessary action to resume service. If the Board President is not available the Director shall contact the Vice President. In the absence of either party the Director will take action.

The Library Director will have the authority to spend up to \$20,000 per vendor to resolve the situation and resume services. The Library Board President shall have the authority to waive the \$20,000 bidding procedures set forth in this Policy and with the Library Director shall effect procurements in excess of the amount otherwise provided in this section to resume service. Neither party may commit the library to purchases or contracts that exceed \$45,000 without Library Board approval.

The Library Director with the Library Board President 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 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.

PURCHASING TOOLS

In order to spend taxpayer money wisely and fairly, the Westmont Public Library will seek potential savings with the following tools:

Cooperative Joint Purchasing

Subject to applicable state statutes, the Westmont Public 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

WPL's policy on multi-year contracts requires the following:

- 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
- multi-year contracts shall not be presented to the Library Board that exceeds a total term of four (4) years, unless approved in advance by the Library Board by resolution

PROTECT AGAINST FRAUD AND FAVORITISM

The role of WPL is to provide a complete accounting and review of expenditures to the Library Board of Trustees and to the community. The Trustees, 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, a copy of which will be on file at the library.

LIBRARY PROCUREMENT RECORDS

All determinations and other written records and/or notes of conversations pertaining to the solicitation, award and performance of a contract shall be maintained for the library in the procurement records. All procurement records shall be retained and disposed of by the library in accordance with records retention guidelines and schedules approved by the State of Illinois Local Records Commission.

The library auditor shall be entitled to audit the books and records of a contractor or a subcontractor at any tier under any contract or subcontract to the extent that such books, documents, papers, and records are pertinent to the performance of such contract or subcontract. The contractor or subcontractor shall maintain such books and records for a period of three years from the date of final payment.

PAYMENT FOR GOODS AND SERVICES

The Westmont Public Library will establish and implement internal controls as required or recommended by the accountant, auditor, and General Accounting Standard Board (GASB). 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 Director or Assistant Director.

Credit Card

The Director and Assistant Director are authorized to make purchases for the library with the library credit card in cases where:

- the best value is available by a vendor who will not accept a purchase order, or
- payment cannot be made by check in a timely manner, or
- where an automatic online payment ensures no late fees

Documentation of all such purchases will be provided to the accounting firm and also retained in the Administrative Office for review. A list of all credit card charges will be presented 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 Director or Assistant Director prior to disbursement and funds will be replenished each month.

INTERNAL CONTROLS

The verification of receipt of an item will be done by someone other than the purchaser.

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 the accounting firm's 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.