



PURCHASING POLICY

Purpose

This policy is adopted by the board of library trustees for the purpose of ensuring fiscal responsibility of taxpayer funds and full compliance with local, state, and federal laws and reporting statutes.

Authority to Spend

The board of library trustees retains fiscal responsibility for the library district. Under the direction of the library board, the Executive Director and their designee shall have the authority to purchase or lease products or services to provide the best and most efficient public library services possible.

Only the Executive Director may commit the library to purchases of up to \$7,500 without first obtaining board approval. Exceptions are allowable for purchases requiring immediate action to secure the safety of staff and library patrons. All other non-emergency, non-budgeted purchases greater than \$7,500 should be planned in advance and presented at a regular library board meeting for approval.

Purchases and services less than \$2,000 may be made with attention to the lowest possible cost, durability, performance, prior experience, delivery, and service capability. For purchases totaling over \$2,000, three written proposals or three documented price quotes will be obtained.

In accordance with Chapter 75 ILCS 5/5-5 and except as otherwise provided, all purchase orders or contracts for products and services in excess of \$25,000 shall be subject to a competitive bidding process.

Expenditures for payroll, employee fringe benefits, operational expenditures included in the approved budget, library materials and collections including databases, and professional contracted services are exempted from this policy.

Internal Controls

Internal controls have been established to minimize risk whenever library funds are being handled. This includes written procedures requiring oversight and the segregation of duties in order to prevent misuse of library funds which can be found in the Business Administration Manual located on the library's shared drive.

Primary and Secondary Check Run

Whenever possible, all invoices will be paid in the primary check run. This check run will take place the week prior to the monthly board meeting. All checks will be presented to the board for approval at the board meeting prior to payment. A secondary check run will be completed for invoices needing payment prior to the primary check run. These invoices will be included in the check detail presented to the board for approval at the board meeting. Checks over \$500 require a second signature.

Petty Cash

A petty cash fund in the amount of \$500 dollars will be maintained in the business office for small purchases. The business manager will be responsible for keeping track of receipts and replenishing the fund. All purchases must have supporting receipts that must be submitted to the business office. Any petty cash purchase in excess of \$100 will be issued to the employee in the form of a check. All payments must be approved by the director.



Credit Cards

For those purchases that cannot be invoiced due to issues of expediency, emergency, or availability, credit cards are an acceptable alternative to staff members making purchases with their own cash or credit cards and then being reimbursed. The library board determines which employee may be issued La Grange Park Library credit cards. Changes to the list of authorized credit card holders must be approved by resolution in a regular board meeting by roll call vote. Credit cards shall only be used by the person whose name appears on the card. No more than four authorized users are permitted at any given time.

The library credit card shall have an overall limit of no more than \$15,000. The executive director may have an individual limit of \$7,500 and authorized users may each have a limit of \$2,500.

Any time a La Grange Park Public Library District credit card is used, proof of purchase, receipt, charge slip, or shipping document must be retained and submitted to the Business Manager as soon after the purchase as possible. All charges will be reconciled with the monthly statement.

The La Grange Park Public Library credit cards are reserved solely for official library purchases. Card holders are prohibited from using the library credit card for any personal purchases, including those purchases made with intent of reimbursing the library at a later date. Cash advances using a library credit card are strictly forbidden. Disciplinary action for misuse is the responsibility of the executive director or, in the event that the executive director is involved, the Library Board of Trustees President. Disciplinary action may include all actions up to and including termination of employment in addition to possible criminal and/or civil action. Any cardholder not submitting receipts in a timely manner is subject to credit card revocation and disciplinary action.

When a La Grange Park Public Library credit card is lost or stolen, the cardholder is responsible for notifying the card-issuing bank and the Business Manager within 24 hours of discovery of the loss of the card. The telephone number of the card-issuing bank will be provided to cardholders as the credit cards are assigned.

Upon the end of employment between the Library and the cardholder, that employee's credit card must be collected and destroyed. The Business Manager will be responsible for collecting and destroying the cards and will notify the card-issuing bank of such action, or in the event of the Business Manager leaving the library, the executive director will be responsible for these procedures.