

**7.0 FINANCIAL POLICY**

**7.1 AUTHORITY TO SPEND**

**7.1.1 Emergency Purchases**

**7.1.2 Purchases in Excess of \$25,000**

**7.1.3 Prevailing Wage**

**7.2 PURCHASING (BIDS/QUOTATIONS)**

**7.3 PUBLIC BIDDING**

**7.3.1 Opening of Bids**

**7.3.2 Rejection of Bids/Re-advertisement**

**7.3.3 Awarding of Contracts**

**7.3.4 Tie Bids**

**7.3.5 Sworn Statements**

**7.4 GIFTS & DONATIONS**

**7.5 INVESTMENTS**

**7.6 BANKING**

**7.7 CREDIT CARD**

**7.8 DISPOSAL OF PROPERTY**

## 7.0 FINANCIAL POLICY

The Deer Creek District Library has a Board-approved written budget. This budget is developed annually by the Library Director. Each year, the Board determines if the Library's revenue is adequate to meet the needs of the community. If the revenues are not adequate to meet the needs of the community, the Board may create a plan to increase the library's revenue.

On a monthly basis, the Board reviews the financial report from the accountant or treasurer. In addition to the general financial position of the Library, this record clearly indicates the current position of each budgetary line item including amount, receipts, monthly and yearly-to-date expenditures. These records are maintained in the Deer Creek District Library Board Meeting Minutes binder and filed in the current monthly financial file in the Library Director's office.

### 7.1 AUTHORITY TO SPEND

The Library Director of the Deer Creek District Library or their designee is authorized to spend up to \$5,000 on any single item without prior board approval provided the item is accounted for in the budget.

Any expense in excess of \$5,000 must be approved by the Board of Trustees, and only after completing the formal bid process, if required, as described in Illinois Law.

The Library Director is authorized to spend up to \$2,000 on any single item not accounted for in the budget.

The Library Director must seek board approval for the authority to spend \$2,000 or more on any single item not accounted for in the budget.

#### 7.1.1 Emergency Purchases

In the case of emergency, the Library Director, or designee, may spend up to \$20,000 for any unbudgeted expenditures with the approval of two officers of the Library Board.

#### 7.1.2 Purchases In Excess Of \$25,000

In accordance with Chapter 75 ILCS 5/5-5, all purchase orders or contracts for products and services in excess of \$25,000 shall be awarded after an open, competitive bidding process.

#### 7.1.3 Prevailing Wage

The Library conducts all applicable work in accordance with the Prevailing Wage Act, 820 ILCS 130/1 et. seq.

## 7.2 PURCHASING (BIDS/QUOTATIONS)

- a. Purchases of \$25,000 and above shall follow the public bidding procedure as required by Illinois law.
- b. Purchases in excess of \$3,000 but less than \$25,000 will have every effort made to secure at least three price quotations before selecting a vendor.
- c. The Library Director will aim to receive the best usable products at the lowest prices.

## 7.3 PUBLIC BIDDING

In accordance with 75 ILCS 16/4-45 for projects involving expenditures of over \$25,000 the project shall be advertised in a local English language newspaper of general circulation, at least 14 days in advance of the date announced for the receiving of bids, in an attempt to obtain competitive bids. The advertisement for bids shall be posted in a readily accessible place in the Library.

Advertisements for bids shall describe the character of the proposed contract of agreement in sufficient detail to enable the bidders thereon to know what their obligations will be, either in the advertisement itself, or by reference to detailed plans and specifications on file at the time of the publication of the announcement. Such advertisement shall also state the date, time, and place assigned for the opening of bids, and no bids shall be received at any time subsequent to the time indicated in the announcement.

### 7.3.1 Opening Of Bids

All sealed bids shall be publicly opened by a Trustee or authorized employee of the Library, and all such bids shall be open to public inspection in the Library for a period of 48 hours before award is made.

An extension of time may be granted for the opening of bids upon publication in a local English language newspaper of general circulation, of the date to which the bid opening has been extended. The time of the bid extension opening shall not be less than 5 days after the publication thereof, Sunday and legal holidays excluded.

### 7.3.2 Rejection Of Bids/Re-advertisement

Any and all bids may be rejected by the Board if the bidder is not deemed responsible, or the character or quality of the service, supplies, materials, equipment or labor does not conform to requirements or if the public interest may otherwise be served thereby.

When all bids are rejected, a re-advertisement for bids thereof shall be published in the same manner as the original advertisement. Proposals shall be publicly opened at the day, hour, and place specified in the solicitation for bids, or any extension thereof in accordance with this policy.

### 7.3.3 Awarding Of Contracts

All purchases, contracts, and expenditures shall be awarded by the Board to the lowest responsible bidder.

In determining the lowest responsible bidder, in addition to price, the Board shall consider:

- a. The ability, capacity and skill of the bidder to perform the contract or provide the service required.
- b. Whether the bidder can perform the contract or provide the service promptly, or within the time specified, without delay or inference.
- c. The character, integrity, reputation, judgment, experience and efficiency of the bidder.
- d. The quality of performance of previous contracts or services.
- e. The previous and existing compliance by the bidder with the laws and ordinances relating to the contract or service.
- f. The sufficiency of the financial resources and ability of the bidder to perform the contract or provide the service.
- g. The quality, availability and adaptability of the supplies, or contractual services to the particular use required.
- h. The ability of the bidder to provide future maintenance and service for the use of the subject of the contract.
- i. The number and scope of conditions attached to the bid.
- j. Such other factors as the Board shall deem appropriate.

Contracts must be awarded only on the basis of criteria which are publicly disseminated. The Library will not respond to requests to bidders or communicate with them in any way other than through the invitation to bid, written specifications, and pre-bid conference, the date and time of which must be advertised in the invitation to bid.

### 7.3.4 Tie Bids

If all bids received are for the same total amount or unit price, quality and service being equal, the contract shall be awarded to a local bidder. Where the previous condition is not in effect, the Board shall award the contract to one of the tie bidders by drawing lots in public.

### 7.3.5 Sworn Statements

Each bidder shall accompany his bid with a sworn statement, or otherwise swear or affirm, that he has not been a party to collusion among bidders, in the form prescribed by 65 ILCS 5/8-10-8.

Every bid submitted to and contract executed by the Library shall contain a certification (a “no violation” certificate) by the contractor that the contractor is not barred from bidding on the contract as a result of violation of either Section 33E-3 or 33E-4 of 720 ILCS 5133 E.

Bidders will also provide a statement of understanding that the contract is a Prevailing Wage job, and has already been calculated into the bid. The Library will also request a statement of how much of the contract cost is safety related in the Bidder’s professional opinion.

#### 7.4 GIFTS & DONATIONS

Gifts and Donations are welcomed by the Deer Creek District Library. The Library Director and Board of Trustees do have the right to refuse gifts or donations. Monetary gifts will be applied to the Library Corporate Fund unless it was solicited for a specific purpose, or the donor provides a request for the use of the funds at the time of the gift.

Books, movies and other library items are accepted, but the Library reserves the privilege of deciding whether items should be added to the collection. Items not added to the collection can still benefit the Library through programs such as Sustainable Shelves, or they will be offered to the community.

Individuals interested in a memorial or in honor donation should contact the Library Director.

#### 7.5 INVESTMENTS

Deer Creek District Library follows the provisions in 30 ILCS 235, the Public Funds Investment Act.

In selecting financial institutions and investments to be used, the following general objectives will be considered:

- a. Safety & Risks
- b. Maintenance of sufficient liquidity to meet current obligations
- c. Return on investment
- d. Simplicity of management

Investments, fund balances, and the status of such accounts shall be included in the monthly financial report.

#### 7.6 BANKING

The Library Director of Deer Creek District Library is authorized to make deposits into appropriate library accounts. Such deposits include, but are not limited to, the deposit of accumulated fees and fines, gifts, donations, grants, and tax receipts.

The Library Director is authorized to transfer funds from one library account to another library account for payment of monthly bills which have been approved by the Board.

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The Library Director is not authorized to sign checks or receive cash from library accounts except when the Board authorizes such action.

### 7.7 CREDIT CARD

The Board of Deer Creek District Library shall authorize the Library Director the use of a corporate credit card to build efficiency by simplifying the acquisition, receipt and payment of library items. These policies are intended to ensure card users are responsible for exercising due care and judgement when using the corporate credit card. The card user may not use the corporate credit card for personal purposes even if he/she plans to reimburse the Library. A lost, stolen or compromised card must be reported immediately.

Suitable uses of the corporate credit card include, but are not limited to:

- a. Library supplies and equipment
- b. Programming expenses
- c. Collection development
- d. Online purchases
- e. Fees related to library duties

The following purchases are not allowed on the corporate credit card:

- a. Personal purchases
- b. Cash advances
- c. Personal entertainment
- d. Any item inconsistent with the mission and values of the Library

Misuse of the corporate credit card by an employee may result in loss of credit card use and/or disciplinary action against the employee, up to and including termination.

### 7.8 DISPOSAL OF PROPERTY

Library property (i.e. print and non-print materials, equipment, supplies, and/or any personal property) which in the judgement of the Library Director is no longer necessary or useful for library purposes, may be disposed of in the following manner:

1. Print and non-print materials from the library's collection, donations, or gifted materials, may be discarded, recycled, sold, or be given to the community.
2. Any item having an individual current value of less than \$100 may, at the discretion of the Library Director, be discarded, recycled, traded-in, gifted, or made available for sale.

3. In the case of individual surplus items having a current value of more than \$100 but less than \$1000, the Board may authorize a trade-in of such items on new equipment or sale of such items in accordance with the provisions of the Illinois Library Act.
4. Any personal property having a unit value of more than \$1,000 will be displayed at the Library and a public notice of its availability, the date, and terms of the proposed sale shall be posted.
5. No favoritism shall be shown to members of the Board of Library Trustees or members of their immediate families who make bids on, or purchase any library item declared surplus.