

## Budgeting and Disbursements

This policy defines the method for budgeting and disbursing money from the Library District's funds.

### **Section 1:** Budgeting

A tentative Budget and Appropriation Ordinance is prepared by the Executive Director and staff, and reviewed by the Treasurer.

The Executive Director will present the tentative ordinance to the Trustees at a regularly scheduled public meeting in June of each year. The tentative ordinance will be adjusted to reflect accurate tax extensions before adoption of the final budget by the Library Board in September. The adopted ordinance will be posted for public inspection as legally required.

After adoption of the Budget and Appropriation Ordinance, the Executive Director may make purchases according to the spending plan indicated in the budget without specific approval for each purchase, providing the expenditures are within allowable limits of the Fiscal Authority Policy (Policy 4.00).

### **Section 2:** Competitive Bidding

Contracts for construction, remodeling, repairing or improving of a library building or facilities are offered for competitive bidding as required by 75 ILSC 16/40-45. Architectural, engineering or land surveying services are governed by the Local Government Professional Services Section Act, 50 ILCS 510/0.01. All vendors providing services covered by the Prevailing Wage Act (820 ILCS 130/0.01 et seq) shall comply with the Prevailing Wage Act.

Generally, bidding is not required:

- A. Where the cost is less than \$25,000.
- B. For goods and services which, by their nature, are not adapted to award by competitive bidding.
- C. Examples of contracts for goods and services where competitive bidding is not required (see 75 ILCS 16/40-45) include: (1) contracts for the services of individuals possessing a high degree of professional skill where the ability or fitness of the individual plays an important part; (2) contracts for the printing of finance committee reports and departmental reports; (3) contracts for the printing or engraving of bonds, tax warrants and other evidences of indebtedness; (4) contracts for the maintenance or servicing of, or provision of repair parts for, equipment which are made with the manufacturer or authorized service agent of that equipment where the provision of parts, maintenance, or servicing can best be performed by the manufacturer or authorized service agent; (5) purchases and contracts for the use, purchase, delivery, movement, or installation of data processing equipment, software, or services and telecommunications and interconnect equipment, software, and services; (6) contracts for duplicating machines and supplies; (7) contracts for utility services such as water, light, heat, telephone or telegraph; (8) contracts for goods or services procured from another governmental agency; (9) purchases of equipment previously owned by some entity other than the library itself; and (10) contracts for

goods or services which are economically procurable from only one source, such as for the purchase of magazines, books, periodicals, pamphlets, and reports.

Other purchases of goods and services will be offered for competitive bidding unless the Board determines otherwise.

**Section 3:** Warrant

Payments to library vendors for goods and services are authorized by the Board on a monthly basis. A warrant (listing of payments) is prepared by the Business Office that includes the vendor's name and amount to be paid, sorted by budget account number and spending department's name. The Warrant is then presented by the Executive Director to the Board for approval at each regular Board Meeting.

After approval by the Library Board, checks are prepared by the Business Office. Signature stamps are held by the Executive Director and released for stamping the approved checks. The Executive Director, or his/her designatee, will verify the number of checks stamped with the approved list of bills to be paid. Stamped checks are then mailed to the specific vendor.

Checks may be released prior to the approval of the Warrant if waiting until after the meeting of the Board would result in:

1. The late receipt of a check by the vendor would result in late fees (ie: credit card payments)
2. The late receipt of a check would delay service or a product (ie: a deposit for furniture)
3. The late receipt of a debt service payment, thereby jeopardizing the loan.

Any release of check prior to full Board approval will be done with the approval of the Board President and Treasurer and will be ratified at the next regular Board meeting.