



# Purchasing & Contracting Policy

May 1, 2015

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## **I. *Introduction:***

The purpose of this policy is to provide Village of Norridge staff direction in the purchase of goods and services on the Village's behalf. When used with good judgment and common sense, this policy will allow the Village to obtain needed supplies and services efficiently and economically.

The policy is divided into parts dealing with purchasing policies, procedures and ethical standards. The policy sections contain all the purchasing policies reviewed and recommended by the Village Administrator and adopted by the Village Board of Trustees which must be adhered to by all Village employees. The procedures sections provide a "how-to" guide for processing purchase requisitions, purchase orders and payment requests. The sections on ethics set the standards for the conduct of all participants in the municipal purchasing and contracting process.

Employees as well as non-employees who carry out the functions of the various Village Commissions are expected to read the document and provide the Department of Finance with feedback regarding the policies and procedures contained within. This policy may be modified from time to time to conform to changes in legislation, technology and actual practice. Although it may not answer every question related to purchasing practices, it provides general guidelines for purchasing activities. Employees who need help dealing with specific situations not covered by the manual should contact the Village Administrator for assistance.

The Village Board shall be the final authority with regard to enforcement of any of the provisions of this manual. Failure to follow the procedures outlined in this manual may lead to disciplinary action in accordance with the provisions of the Village of Norridge Employee Handbook.

**II. Solicitation of Quotes and Purchases of Goods and Services:**

No employee shall purchase goods or services without obtaining approval as required by this policy. All routine, nonemergency purchases shall require advance approval of the department head, the Village Administrator and/or the applicable Committee Chairperson and/or the Village Board of Trustees as specified below. All supplies, materials, equipment and contractual/professional services required for operational efficiency will have been included in the annual budget. Purchase of same as required during the fiscal year shall proceed in accordance with these procedures upon approval of the annual budget and appropriation ordinance by the Village Board of Trustees.

Dollar Limits	Required Approval	Other Requirements
\$5,000.00 or less	Department Head, Village Administrator	
\$5,000.01 to less than \$20,000.00	Department Head, Committee Chairperson, Village Administrator	<ol style="list-style-type: none"> <li>1. Completed purchase request form</li> <li>2. Every reasonable effort to obtain three written quotes. The quotes should be listed on the purchase request form and attached. If same purchase re-occurs within one year of quote, no additional quotes are required.</li> </ol>
\$20,000.00 or greater	Department Head, Committee Chairperson, Village Administrator and Village Board of Trustees	Formal Bid Process-Must follow bid or RFP procedures as outlined in this document and required by Village ordinances.

Employees are responsible for obtaining quotes for purchases of services and products. All purchases must be approved before the purchase is made. For all purchases in excess of \$5,000.00 a purchase request form must be completed and must bear the appropriate signatures before purchasing goods or services. Purchases may ***not*** be split into parts or separately invoiced so as to produce amounts that would get around the bidding requirements as stated in this policy. A sample purchase request form is attached to this Policy.

Should there be any questions about the purchase of an item or service, the Village Administrator should be consulted for advice.

### **III. Bid and Proposal Procedures for Purchases \$20,000.00 or Greater:**

The procedure for purchases of \$20,000.00 or a greater amount is as follows:

1. It is the responsibility of the respective departments to prepare interdepartmental memoranda detailing the need to purchase goods and services as well as bid documents. These documents shall be forwarded to the Village Administrator and should include:
  - a. Explanation of the need;
  - b. Plans and/or specifications;
  - c. Cost estimate and budget appropriations;
  - d. Details on sharing of costs;
  - e. Clearance with other involved agencies or individuals;
  - f. Suggested vendors or contractors.
2. The Village Administrator will determine whether the Village Board of Trustees' authorization is needed to advertise for bids or proposals.
3. Procedures for Bidding:
  - a. *Invitation for bids.* An invitation for bids shall be issued for contracts and shall include specifications and all contractual terms and conditions applicable to the procurement.
  - b. *Public notice.* Adequate public notice of an invitation for bids shall be given at a reasonable time, not less than twenty (20) calendar days prior to the date set forth therein for the opening of bids. The Village Administrator shall designate a means of distribution or determination of information to interested parties using methods that are reasonably available. Such methods may include publication in newspapers of general circulation, electronic or paper mailing lists, and web sites designated and maintained for such notification. The notice or advertisement will normally contain the following information:
    - (1) A general description of the work to be performed or the item to be purchased;
    - (2) The place where written bid specifications may be obtained;
    - (3) The time and place for opening bids;
    - (4) Any requirements for a bid deposit (if any) or the posting of a

performance bond (if any);

- (5) The time, date and place for submission of bids (including deadlines);
  - (6) The prevailing wage rates of employees to be engaged in public works (if any) and where to obtain the rates;
  - (7) Other information necessary to inform prospective bidders of any special requirements.
- c. *Return receipt required.* Bids will be sent marked "sealed" to the Village Administrator "return receipt required."
  - d. *Receipt of sealed bids.* Sealed bids will be required to be received by the Village Administrator as set forth in the notice to bidders by a specified date. Upon receipt of the bids, they will be time-stamped with the date and time received.
  - e. *Bid opening.* Bids shall be opened publicly in the presence of at least two persons who shall be: the Village Trustee who is the chairperson of the Finance Committee or his or her designee who shall be a Village Trustee; and the Village Administrator, at the time and place designated in the invitation for bids. The bids will be recorded on a spreadsheet by the Village Administrator or his or her designee, with all pertinent information. The amount of each bid, and such other relevant information as the Village Administrator deems appropriate, together with the name of each bidder, shall be recorded. The record and each bid shall be open to public inspection in accordance with the Illinois Freedom of Information Act.
  - f. *Bid acceptance and bid evaluation.* The Finance Committee will evaluate bids and provide a formal written recommendation to the Board of Trustees for approval. Bids shall be evaluated based on the requirements set forth in the invitation for bids, which may include criteria to determine acceptability such as inspection, testing, quality, workmanship, delivery and suitability for a particular purpose. Those criteria that will affect the bid price, and be considered in evaluation for award, shall be objectively measurable, such as discounts, transportation costs and total or life-cycle costs. The invitation for bids shall set forth the evaluation criteria to be used, including past performance. Upon receiving bids or proposals, the Finance Committee Chairperson, and the Village Administrator, or his or her designee, will jointly check the quotes for accuracy, conformance to specifications, and budget.
  - g. *Correction or withdrawal of bids.* Correction or withdrawal of inadvertently erroneous bids before or after bid opening, or

cancellation of awards or contracts based on such bid mistakes, may be permitted where appropriate. All decisions to permit the correction or withdrawal of bids, or to cancel awards or contracts based on bid mistakes, shall be supported by a written determination made by the Village Administrator. Mistakes discovered before bid opening may be withdrawn by written notice received in the office designated in the invitation for bids prior to the time set for bid opening. Any modification prior to the bid opening must be submitted in a sealed envelope prior to the scheduled opening of the bid. After bid opening, no changes in bid prices or other provisions of bids prejudicial to the interest of the Village or fair competition shall be permitted. In lieu of bid correction, a low bidder alleging a material mistake may be permitted to withdraw its bid if:

- (1) The mistake is clearly evident on the face of the bid document, but the intended correct bid is not similarly evident; or
- (2) The bidder submits evidence that clearly and convincingly demonstrates that a mistake was made.

h. *Award.* After review, a tabulation and recommendation shall be given to the Finance Committee Chairperson for presentation to the Board of Trustees. The contract shall be awarded with reasonable promptness by appropriate written notice to the lowest responsive and responsible bidder whose bid meets the requirements and criteria set forth in the invitation for bids. In the event the low responsive and responsible bid for a construction project exceeds available funds, the Village Administrator or his or her designee is authorized, when time or economic considerations preclude resolicitation of work of a reduced scope, to negotiate an adjustment of the bid price with the low responsive and responsible bidder in order to bring the bid within the amount of available funds. In addition to price, the Village Board shall consider the following:

- (1) The ability, capacity and skill of the bidder to perform the contract or provide the service required;
- (2) Whether the bidder can perform the contract or provide the service promptly, or within the time specified, without delay or interference;
- (3) The character, integrity, reputation, judgment, experience and efficiency of the bidder;
- (4) The quality of performance of previous contracts or services;
- (5) The previous and existing compliance by the bidder with laws

and ordinances relating to the contract or service;

- (6) The sufficiency of the financial resources and ability of the bidder to perform the contract or provide the service;
  - (7) The quality, availability and adaptability of the supplies or contractual services to the particular use required;
  - (8) The ability of the bidder to provide future maintenance and service for the use of the subject of the contract;
  - (9) The number and scope of conditions attached to the bid.
- i. *Multistep sealed bidding.* When it is considered impractical to prepare a purchase description to support an award based on price, an invitation for bids may be issued requesting the submission of unpriced offers to be followed by an invitation for bids limited to those bidders whose offers have been determined to be technically acceptable under the criteria set forth in the first solicitation.
  - j. *Rejection of bids.* The Village Board shall have the authority to reject all bids, parts of bids, or all bids for any one or more supplies or contractual services included in the proposed contract, when the public interest will be served thereby.

#### **IV. *Doing Business With Former Elected Officials, Officers and Employees:***

For the purposes of this section, “former” shall mean any officer, employee, or elected official who has ceased employment with the Village for a period of three (3) years or less from the last date of employment or term to the commencement date of the contract. After three (3) years the standard policy for solicitation of quotes shall apply.

If the Village of Norridge is doing business with a former Village employee, former elected Village official or former appointed Village official (including, but not limited to, former members of any Village board or commission, former employees appointed by the Village Board, and sworn police officers), the following limits are established and the following procedures required.



Dollar Limits	Required Approval	Quotes
Less than \$2,500.00	Department Head, Committee Chairperson, Village Administrator	Two Verbal Quotes - The quotes should be listed on the purchase request form.
\$2,500.00 or greater	Department Head, Committee Chairperson, Village Administrator, Village Board of Trustees	Formal Bid Process - Must follow bid procedures as outlined in this document.

**V. *Joint Purchasing/Cooperative Purchasing:***

1. This is a method by which two or more separate governmental entities combine their requirements for certain items and receive bids for the combined amount. The advantage of cooperative purchasing is that it presents a large single transaction in regard to volume; therefore, a lower bid price is almost certain to follow. Such cooperative or intergovernmental bidding procedures will satisfy the Village's requirements for bidding.
2. Purchases through state or GSA purchasing will satisfy the requirement for bidding. Prior approval by the Village Administrator is required for all purchases made through state or GSA purchasing. For all such purchases in excess of \$5,000.00 a completed purchase request form is required. All purchases made pursuant to this subsection which are \$20,000.00 or greater require approval by the Village Board of Trustees.

**VI. *Sole Source Purchasing:***

Purchases for parts, supplies, services or equipment that are available only from a single source are referred to as sole source purchases. Sole source procurements may arise from the following circumstances:

1. Equipment for which there is no comparable competitive product or is available only from one supplier;
2. Public utility services from natural or regulated monopolies;
3. A component or replacement part for which there is no commercially available substitute, and which can be obtained only from the manufacturer;

4. An item or service where compatibility is the overriding consideration, such as computer software;
5. A used item, for example, office furnishings or modular work centers, that becomes immediately available and is subject to prior sale;
6. Where a contract is for the services of individuals possessing a high degree of professional skill through advanced education, or the services of individuals or firms holding a professional license (including, but not limited to, architects, engineers, land surveyors, accountants and lawyers) where the ability or fitness of the individual plays an important part;
7. The periodic purchase of motor fuels, provided that the purchase is made after obtaining at least three price quotations, and is made from the motor fuel provider who provided the lowest reliable and responsible price quotation;
8. A contract in accordance with the state statutes concerning the expenditure of Motor Fuel Tax Funds;
9. A contract for membership or participation in an intergovernmental organization or entity, which includes the payment of periodic dues or assessments as a condition of membership.

Sole source purchases shall not be subject to requirements for seeking competitive quotes or bids. However, purchases \$20,000.00 or a greater amount shall be presented to the Village Board prior to acquisition with a request to waive the competitive bid process and approve the purchase.

## **VII. *Emergency Purchasing:***

In cases of emergency situations where it is necessary to protect life or property or where it is pivotal to continue an essential service or a service necessary to protect the public health and safety, and such situation occurs after normal working hours or on a weekend, an emergency purchase may be made. In such an instance, the Department Head will notify the Village Administrator and Village President. All emergency purchases must be approved by the Department Head, Village Administrator and the Village President.

For those emergency purchases of \$20,000.00 or a greater amount for goods and services the Village President or Village Administrator, as the case may be, will notify the Village Board of Trustees prior to expenditure. If a majority of the Board is unavailable, the President or Village Administrator, as the case may be, may authorize the Department Head to enter into an emergency purchase with follow-up notification to the Village Board.

### **VIII. Procedures for Competitive Sealed Proposals:**

When the Chairperson of the Finance Committee, in conjunction with the Village Administrator, determines that the use of competitive sealed bidding is either not practicable or not advantageous to the Village, a contract may be entered into by the use of the competitive sealed proposals method. This may also be referred to as a request for proposals (RFP) procedure.

1. *Request for proposals.* Proposals shall be solicited through a request for proposals.
2. *Public notice.* Adequate public notice of the request for proposals shall be given in the same manner as provided in subsection (b) herein, provided such notice shall not be given less than twenty (20) calendar days prior to the date set forth therein for the opening of proposals.
3. *Receipt of proposals.* Proposals shall be opened so as to avoid disclosure of the identity of any offeror or the contents of any proposal to competing offerors during the process of negotiation. A register of proposals shall be prepared containing the name of each offeror, the number of modifications received, if any, and a description sufficient to identify the item offered. The register of proposals shall be open for public inspection only after contract award.
4. *Evaluation factors.* The request for proposals shall state the relative importance of price and other evaluation factors.
5. *Discussion with responsible offerors and revisions to proposals.* As provided in the request for proposals, discussions may be conducted with responsible offerors who submit proposals determined to be reasonably susceptible to being selected for award, for the purpose of clarification to assure full understanding of, and conformance to, the solicitation requirements. Offerors determined to be substantially equivalent shall be accorded fair and equal treatment with respect to any opportunity for discussion and revision of proposals and such revisions may be permitted after submissions and prior to award for the purpose of obtaining best and final offers. In conducting discussions, there shall be no disclosure of the identity of competing offerors or of any information derived from proposals submitted by competing offerors.
6. *Award.* Award shall be made to the responsible offeror whose proposal is determined to be the most advantageous to the Village, taking into consideration price and the evaluation factors set forth in the request for proposals. No other factors or criteria shall be used in the evaluation. The contract file shall contain the basis on which the award is made. Upon Village Board of Trustees' approval, the involved parties will be notified.

## **IX. *Responsibility of Bidders and Offerors:***

If the lowest responsive bidder is found not responsible, a written determination of no responsibility, setting forth the basis of the finding, shall be prepared by the Village. The unreasonable failure of a bidder or offeror to promptly supply information in connection with an inquiry with respect to responsibility may be grounds for a determination of no responsibility with respect to such bidder or offeror.

## **X. *Prequalification of Suppliers:***

Prospective suppliers may be prequalified for particular types of supplies, services and construction. The Village shall determine the method of submitting prequalification information and the information required in order to be prequalified.

## **XI. *Bid and Performance Bonds on Supply or Service Contracts:***

Bid and performance bonds or other security may be required for supply or service contracts as the Village deems advisable to protect the Village's interests. Any such bonding requirements shall be set forth in the solicitation. Bid or performance bonds shall not be used as a substitute for a determination of a bidder or offeror's responsibility.

## **XII. *Cancellation of Invitations for Bids or Requests for Proposals:***

An invitation for bids, a request for proposals or other solicitation may be canceled, or any or all bids or proposals may be rejected in whole or in part as may be specified in the solicitation by the Village when it is in the best interests of the Village. Notice of cancellation shall be sent to all persons solicited. The reasons therefor shall be made part of the contract file. Each solicitation issued by the Village shall state that the solicitation may be canceled and that any bid or proposal may be rejected in whole or in part when in the best interests of the Village. The reason(s) for rejection shall be provided upon request by unsuccessful bidders or offerors.

## **XIII. *Bidding and Proposal Contract Requirements:***

1. *Nondiscrimination compliance.* Illinois human rights laws require that any

contractor or vendor to the Village of Norridge and other public bodies in the State of Illinois agree to be bound by Illinois human rights laws and their nondiscrimination requirements. The law requires a nondiscrimination clause be included in the Village's contracts and contract specifications. The requirements of a nondiscrimination clause shall be included in all contracts, and contract specifications. The required language shall be in the form of the following typed statement on the applicable document:

*This [contract or contract specification] incorporates by reference the equal employment opportunity clause which the Illinois Department of Human Rights requires in all contracts and contract specifications. This clause is set forth in 44 Ill. Admin. Code Sec. 750 (Appendix A) and is contained in the Village's purchasing and contracting policy. By acceptance of this contract, the [vendor or contractor] agrees to comply with the clause and all other rules and regulations of the Illinois Department of Human Rights covering employment opportunity. The [vendor or contractor] also acknowledges that it has a written sexual harassment policy which complies with Section 2-105 of the Illinois Human Rights Act, 775 ILCS 5/2-105.*

2. *Prevailing Wage Act.* All contractors hired by the Village for construction projects shall abide by the prevailing rate of wages for laborers, workmen and mechanics.
3. *Insurance.* A contractor or vendor shall not commence work nor shall the Village permit any contractor or vendor, under any contract with the Village to commence work, until the contractor or vendor has first obtained all insurance required under this paragraph, and such insurance has been approved by the Village; nor shall a contractor allow any sub-contractor to commence work on a sub-contract until all similar insurance required of the sub-contractor has been approved by the Village. A contractor or vendor agrees to provide and maintain certificates of insurance evidencing the minimum insurance coverage and limits set forth below during the term of the contract, unless Village ordinance or bidding requirements specify a greater amount or additional type of insurance, then such greater amount or type of insurance will be required. Such policies shall be in force and from companies acceptable and satisfactory to the Village to afford protection against all claims for damages to public or private property, and injuries to persons, arising out of and during the contract term. A copy of the certificate of insurance shall name the Village of Norridge, its officers, agents, employees, representatives and assigns as additional insured. The policy of insurance shall contain no provisions that invalidate the naming of the Village as additional insured. The insurance coverage and limits set forth below shall be deemed to be minimum

coverage and shall not be construed in any way as a limitation on contractor's duty to carry adequate insurance or on contractor's liability for losses or damages under the contract. The minimum insurance coverage and limits that shall be maintained by the contractor and his sub-contractors at all times while providing, performing, or completing the work are as follows:

- a. *Worker's Compensation.* The contractor is required to carry, with a company authorized under the laws of the State of Illinois, a policy for protection against liability under the Worker's Compensation and the Occupational Disease Statutes of the State of Illinois with limits of not less than \$500,000.00 per claim.
- b. *General Liability.* The contractor shall carry a comprehensive general umbrella liability policy for all operations with limits of not less than \$1,000,000.00 for each accident for bodily injury liability and not less than \$1,000,000.00 for each accident for property damage liability.
- c. *Professional Liability Insurance.* The contractor shall carry minimum of \$1,000,000.00.
- d. *Automobile Insurance.* The contractor shall carry minimum of \$1,000,000.00.

All such insurance must include an endorsement whereby the insurer agrees to notify the Village at least thirty (30) days prior to non-renewal, reduction or cancellation. The contractor shall cease operations if the insurance is canceled or reduced below the required amount of coverage. All costs for insurance as specified herein will not be paid for separately, but shall be considered as incidental to the contract.

#### **XIV. Ethics and Conflicts of Interest:**

**Code of Ethics.** All Village personnel engaged in purchasing and related activities shall conduct business in a manner above reproach in every respect. Transactions relating to expenditure of public funds require the highest degree of public trust to protect the interests of the Village and the residents of Norridge. Village employees shall strive to:

1. Ensure that public money is spent efficiently and effectively and in accordance with statutes, regulations and Village policies;
2. Maintain confidentiality, subject to Illinois Freedom of Information Act and any other required confidentiality or disclosure laws and regulations;

3. Not accept gifts or favors from current or potential suppliers as required by Village ordinance and state law (see Employee Handbook for specifics regarding the Gift Ban Act);
4. Specify generic descriptions of goods wherever possible in lieu of brand names when compiling specifications;
5. Never allow requisitions and purchase orders for identical goods or services to be split in order to avoid Village Board approvals or in order to circumvent established purchasing policies;
6. Purchase without favor or prejudice;
7. Ensure that all potential suppliers are provided with adequate and identical information upon which to base their offer or quotation and that any subsequent information is made available to all bidders;
8. Establish and maintain procedures to ensure that fair and equal consideration is given to each offer, quotation or bid received and selection is based upon the lowest and most responsible offer, quote or bid that meets the requirements and criteria set forth;
9. Offer a prompt and courteous response to all inquiries from potential or existing suppliers.

It shall be the responsibility of the Village Board to determine if a violation of this Code of Ethics has occurred and if disciplinary action is necessary in accordance with the Village of Norridge Employee Handbook.

***State Officials and Employees Ethics Act.*** The regulations set forth in Chapter 2, Article IV, Division 9, Section 2-366 of the Revised Municipal Code of The Village of Norridge - 2002 adopting the State Officials and Employees Ethics Act, are restated as if fully set forth herein.

***Interest of Village officers and employees.*** No officer or employee of the Village shall be directly or indirectly financially interested in any contract, work or business of the Village, or the sale of any article, the expense, price or consideration of which is paid from the treasury, or by any assessment levied by any act or ordinance, or in the purchase of any real estate or other property. It shall be a violation of this section for any employee to participate directly or indirectly in a procurement, bid or contract, when the employee has an ownership, employment, prospective employment, or family interest or family relationship pertaining to the procurement, bid, or contract.

***Definitions.*** The following words, terms and phrases, when used in this chapter shall have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning.

1. *Confidential information* means all information which is not generally known to the public, and which has or could have commercial or other value to the Village. It includes not only information disclosed by the Village or by third parties to the Village, its elected officials, appointed officers, or Village employees during the course of their employment with the Village, but also information developed or learned by all such persons. Confidential Information includes, but is not limited to, the following categories of information: Information regarding technology, computer programs, techniques, inventions, discoveries, improvements, research, test results, or know-how; information which is or may be exempt pursuant to the Federal Freedom of Information Act, and the Illinois Freedom of Information Act as it is now or may be amended, including but not limited to, records the disclosure of which would hinder in protecting the business and financial interests of both private persons and public bodies, including those documents that contain trade secrets, valuable formulas or designs, pricing and pricing strategy, and contracts or agreements which, if disclosed, would frustrate Village procurement procedures.
2. *Corporate authorities* means the Village President and the Board of Trustees of the Village.
3. *Employee* means all full-time, part-time, temporary, seasonal and contractual employees of the Village.
4. *Family relationship* means those persons related by blood or marriage, or whose relationship is similar to that of persons who are related by blood or marriage, including mother, father, brother, sister, spouse (including cohabitating couples), children, aunts, uncles, nieces, nephews, first cousins, mother-in-law, father-in-law, brother-in-law, sister-in-law, stepfather, stepmother, stepbrother, stepsister, stepchild, half-brother, half-sister, grandchild, grandparent and legal guardian. Relationships created by adoption are included.
5. *Interest* means any economic interest or relationship: whether by ownership, trust, purchase, sale, lease, contract, option, investment, employment, gift, fee, or otherwise; whether present, promised, or reasonably expected; whether direct or indirect, including interests as a consultant, representative, or other person receiving (or who may be receiving) remuneration, either directly or indirectly, as a result of a transaction; whether in the person itself or in a parent or subsidiary corporation, or in another subsidiary of the same parent; whether such interest is held directly or indirectly by the officer or employee, the spouse or minor child of such officer or employee, or any other person with a family relationship with such officer or employee owning or sharing the same household as the officer or employee. Interest shall not include (i) interest in a mutual fund or managed account, (ii) an ownership interest of less than 1% in any business entity, or (iii) an interest of general applicability affecting others in similar situations.
6. *Officer* means all appointed and elected officials of the Village, regardless



of whether the officer is compensated; provided, however, that a member of a task force, blue ribbon committee, or similar group that is established solely for the purpose of advising the Village Board on policy issues shall not be considered an officer for the purposes of this Policy or Chapter 2, Article V, Division 2 of the Village Code of Ordinances.

7. *Recuse* means to refrain from participation in any official discussion or deliberation regarding a transaction and to abstain from any vote on such transaction.

8. *Transaction* means any matter, including without limitation contracts, work, or business with the Village, the sale or purchase of real estate by the Village, and any requests for zoning, development, or subdivision approvals, including without limitation rezonings, variations, and special use permits, pending before the Village, upon which an officer or employee performs an official act or action.

***Use of confidential information.*** It shall be a violation of this Policy for any officer or former officer or any employee or former employee knowingly to use confidential information for actual or anticipated personal gain, or for the actual or anticipated personal gain of any other person.

***Conflicts of interest.***

1. *Prohibition.* No officer or employee shall participate in any official action that would constitute a conflict of interest under the statutes or common law of the State of Illinois.
2. *Incompatible Interests.* In addition to the requirements of subsection 1 above, no officer or employee shall have an interest in, or have a family relationship with a person having an interest in, a transaction that is incompatible with the proper discharge of his or her official duties in the public interest or that may impair his or her independence of judgment or action in the performance of his or her official duties.
3. *Recusal.* Any officer or employee shall recuse himself or herself in connection with any transaction that comes before such officer or employee in the course of his or her official duties, whenever such officer or employee has actual knowledge that he or she has (i) any interest in the transaction, (ii) any family relationship with a person having an interest in such transaction, or (iii) any interest in an applicant appearing before the officer or employee in an official capacity, even if the officer or employee does not have an interest in the transaction itself. Nor shall any elected officer personally represent any person other than either (a) the Village or (b) the officer himself or herself or his or her spouse with respect to the personal residence of such officer in any transaction before the board on which such officer serves.
4. *Disclosure by officers.* Upon discovery of an actual or potential conflict of

interest, an officer shall promptly disclose the conflict to the corporate authorities.

5. *Disclosure by employees.* Upon discovery of an actual or potential conflict of interest, an employee shall promptly notify the employee's Department Head in writing.

6. *Resolving conflicts of interest.*

a. If an elected official has or develops a conflict of interest, that person shall be excused from participating in the matter in which is the subject of the conflict of interest.

b. If a Village appointed officer or employee has or develops a conflict of interest with respect to a Village matter or if any other employee or consultant has or develops such a conflict of interest and would be expected to advise or participate in the discussion of the issue that is the subject of the conflict, that person shall:

(1) Make full written or other public disclosure of the conflict of interest. In such instance a Village appointed officer or a Department Head shall notify the corporate authorities. Village employees are expected to report such a conflict to their Department Head;

(2) Abide by any prohibitions or restrictions issued by the Village Board of Trustees, or Department Head, as the case may be, with respect to participation in the resolution of the issue that is the subject of the conflict of interest. Such prohibitions or restrictions may include the officer or employee being excluded from any participation in the matter.

If the conflict involves numerous issues or is so pervasive that it would render the person unable to properly carry out his or her obligations to the Village, the person should recuse himself or herself from any involvement in the matter.

7. *Standard for determining conflict of interest.* A conflict of interest is created when a non-Village interest would cause an impairment of the officer's or employee's ability to exercise independent judgment on behalf of the Village. The standard for determining impairment of independent judgment is objective rather than subjective and shall be whether a person of ordinary and reasonable judgment would be affected.

Any of the foregoing notwithstanding, an officer or employee shall be deemed to have a conflict of interest in the following circumstances:

a. The officer or employee has or is about to acquire more than a one percent ownership interest in or is about to become an officer, director,

management official, employee, attorney or other professional consultant in any entity seeking consideration from or attempting to establish a business relationship with the Village;

b. The officer or employee is representing another person or entity as an advocate or consultant in a circumstance in which the other entity or person has an interest which is adverse to the interests of the Village, or when that other entity or person is actively seeking consideration from the Village.

### ***XV. Manual Checks:***

Checks issued between normal accounts payable cycles are labor intensive and time consuming; therefore, their use as a method of payment shall be limited to emergency circumstances. Emergency circumstances include situations where it is impractical to process payments outside of the normal accounts payable cycle. The issuance of manual checks shall be authorized by the Village Administrator.

### ***XVI. Use of Sales Tax Exemption Number:***

Village purchases are not subject to sales tax; therefore, employees shall make efforts to inform vendors of the Village's tax exempt status prior to making purchases to ensure that sales tax is not paid. Sales tax exemption letters may be obtained from the Finance Department.

Use of the Village's sales tax exemption number is restricted to the purchases made on behalf of the Village. State law prohibits use of the Village's sales tax exemption number to secure exemptions for personal purchases.

### ***XVII. Petty Cash:***

Petty cash can be obtained in the Finance Department. All petty cash disbursements shall be limited to a maximum of \$30.00 for a given expense. Expenditures in excess of that amount shall receive prior approval from a shift supervisor, department head, or the Village Administrator.

Petty cash is intended for the purchase of or to reimburse individuals for the purchase of small, miscellaneous expenses. All other large purchases shall be reimbursed through the accounts payable process. This allows for proper accounting of all expenditures and keeps the petty cash fund from being depleted too quickly.



**Department Name**

<b>REQUEST FOR APPROVAL:</b> Click here to enter text.	Click here to enter text. <b>DATE:</b> Click here to enter a date.
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**REQUEST TO PURCHASE OR CONTRACT FOR SERVICES**

**TO:** Department Head:  
Committee Chairperson:  
Village Administrator:

**FROM:** Click here to enter text.

**CC:** Click here to enter text.

**PURPOSE AND ACTION REQUESTED:**

**PROGRAM BACKGROUND:**

**ANTICIPATED TIMELINE:**

**COSTS:**

**RECOMMENDATION:**

**ATTACHMENTS:**  
Attachment A: Quotes

Department Head: \_\_\_\_\_ Date: \_\_\_\_\_

Trustee/Committee Chairperson: \_\_\_\_\_ Date: \_\_\_\_\_

Village Administrator: \_\_\_\_\_ Date: \_\_\_\_\_

## Attachment A