
HOMER TOWNSHIP

RESOLUTION
NUMBER HT2021-1108-RES1

**A RESOLUTION ADOPTING A PURCHASING & ACCOUNTS PAYABLE
POLICY AND PROCEDURE FOR HOMER TOWNSHIP**

STEPHEN BALICH, Township Supervisor
VICKI BOZEN, Township Clerk

ANGELA ADOLF
MIKE BONOMO
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Trustees

Published in pamphlet form by authority of the Township Supervisor and Board of Trustees of Homer Township on November 08, 2021

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A RESOLUTION ADOPTING A PURCHASING & ACCOUNTS PAYABLE POLICY AND PROCEDURE FOR HOMER TOWNSHIP

WHEREAS, Homer Township, Will County, Illinois (the “Township”), is a duly organized and existing township and unit of local government created under the provisions of the laws of the State of Illinois, and is operating under the provisions of Illinois’ Township Code, 60 ILCS 1/1-1, *et seq.*, and all laws amendatory thereto; and

WHEREAS, there exists certain routine and recurring Township and expenses, including, but not limited to, energy, gas, water, telecommunications, insurance, and employee compensation, that, to avoid late fees or interruption of service, must be made in a prompt and timely manner (the “Recurring Expenses”); and

WHEREAS, the Township desires to adopt a policy implementing authorizing certain Township officials to purchase goods and services up to specific amounts, without the need for prior approval from the Township Board of Trustees, in a manner consistent with the provisions of the Illinois Township Code and related legal requirements; and

WHEREAS, the Township Supervisor (the “Supervisor”) and the Township Board of Trustees (the “Board”) are committed to ensuring the effective administration of government and the responsible management of taxpayer money; and

WHEREAS, with the foregoing in mind, the Supervisor and the Board have determined that it is in the best interests of the Township and its residents to authorize the Supervisor to pay the Recurring Expenses in accordance with this Resolution and to pre-authorize purchases for certain goods and services in a manner consistent with the requirements of the Illinois Township Code and related legal requirements.

NOW, THEREFORE, BE IT RESOLVED by the Supervisor and Board of Trustees of Homer Township, Will County, Illinois as follows:

Section 01. Recitals. The above recitals and findings are found to be true and correct and are incorporated herein and made a part hereof, as if fully set forth in their entirety.

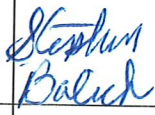
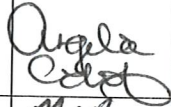
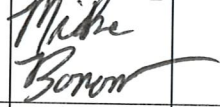
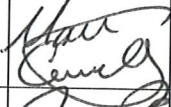

Section 02. Adoption of Policies. The Supervisor and Board of Trustees hereby approve and adopts the **Purchasing & Accounts Payable Authorization Policy** attached hereto as **Exhibit A.**

Section 03. Severability. The provisions of this Resolution are hereby declared to be severable, and should any provision of this Resolution be determined to be in conflict with any law, statute, or regulation by a court of competent jurisdiction, said provision shall be excluded and deemed inoperative, unenforceable, and as though not provided for herein, but such invalidity shall not affect other provisions or applications of this Resolution that can be given effect without the invalid application or provision, and all other provisions shall remain unaffected, unimpaired, valid, and in full force and effect.

Section 04. Repeal and Savings Clause. All ordinances, resolutions, rules and orders, or parts thereof, in conflict herewith are, to the extent of such conflict, hereby superseded and repealed, provided, however, that nothing herein contained shall affect any rights, actions, or causes of action which shall have accrued to the Township prior to the effective date of this Resolution.

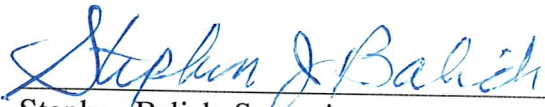
Section 05. Effective Date. This Resolution shall be in full force and effect immediately upon passage and approval by the Supervisor and Board of Trustees of Homer Township, Will County, State of Illinois due to the urgent nature of this matter.

PASSED by the Supervisor and Board of Trustees of Homer Township, Will County, Illinois this 8th day of November, 2021, pursuant to a roll call vote, as follows:

	Yes	No	Abstain	Absent	Present
Supervisor Stephen Balich					
Trustee Angela Adolf					
Trustee Mike Bonomo					
Trustee Matt Connelly					
Trustee Rob Rivera					

APPROVED by the Supervisor of Homer Township, Will County, Illinois on this 8th day of November, 2021.

APPROVED:


Stephen Balich, Supervisor

ATTEST:

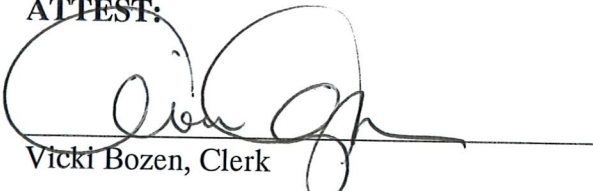

Vicki Bozen, Clerk

EXHIBIT A

HOMER TOWNSHIP PURCHASING & ACCOUNTS PAYABLE AUTHORIZATION POLICY

Board Approved Vendor Payment List

Recurring Expenses

IMRF

Contractual Vendors: Payroll services paid automatically via EFT/ACH; Telephone, internet.

Utility Vendors: Water; sewer; trash; ComEd (electricity); Nicor (gas).

Fuel Vendors

Health Insurance and Supplement Insurance

The Township find that it is important that these vendors are paid by the billing due date to avoid service interruptions and late fees. As the custodian of employee's funds through payroll deduction, the Township has an obligation to forward the employee's money to the appropriate vendor.

HOMER TOWNSHIP PURCHASING POLICY

STATEMENT OF PURPOSE

The purpose of this Policy is to provide Homer Township (“Township”) with guidelines and directions for the acquisition of goods and services, while respecting the statutory powers and functions of the Township Supervisor. The Township Board of Trustees has adopted this as Township policy by Resolution.

In general, the Township Board of Trustees is charged with the duty to examine and audit township bills before they are paid under the Illinois Township Code, 60 ILCS 1/1-1, *et seq*, with the exception of general assistance, wages, social security taxes, and except other expenses determined by the Township Board by Resolution. *See* 60 ILCS 1/80-10, 80-15. Nothing in this Policy shall affect the Township Board of Trustee’s duties with respect to the audit of all Township bills and claims except that this Policy authorizes the pre-payment of certain expenses subject to subsequent review and verification at the next Township Board meeting.

All Township personnel and officials engaged in purchasing and related activities on behalf of the Township shall conduct themselves in a manner above reproach in every respect and are subject to all other, relevant ordinances, resolutions, rules, and policies of the Township in addition to all applicable State Law. Township employees and officials shall strive to ensure that public money is spent efficiently and effectively and in accordance with statutes, regulations and township policies.

This Policy is divided into sections dealing with general procedures and responsibilities, authorization levels, pricing requirements, local purchasing, emergency purchases, and cooperative purchasing.

This Policy is designed to be a document for reference for all purchasing practices done prior to explicit approval by the Township Board of Trustees. If there are any further detailed questions about purchasing agreements, a Township employee may contact the Township Supervisor regarding same. This Policy may be modified from time to time to conform to changes in any applicable legislation, technology or preferred practices.

GENERAL PROCEDURES & RESPONSIBILITIES

Unless otherwise provided for in this Policy, all Township expenditures shall follow the below procedure, to wit:

- A. The Township Board of Trustees passes an annual Budget & Appropriations Ordinance, identifying line-item expenditure limits, for each fiscal year, which begins on April 1st through the next March 31st of each calendar year.
- B. Purchases of goods and services for budgeted items to carry out Township responsibilities may be ordered by Department Heads with permission from the Administrator, or the Supervisor, as provided for in this Policy.

- C. Mailed invoices are received by the Township employees and are distributed to the Administrator for initial approval. The Administrator will submit to the Supervisor for final approval and send the invoices back to accounting for completion.
- D. A “Board Audit Report,” which is a listing of all checks to be approved, is prepared by accounting the Wednesday before the regular Township Board Meeting and then prepared for a vote at the Township Board Meeting. Check Requests are due to accounting the Friday, the week before the check cutoff date.
- E. After the Township Board of Trustees authorizes expenditures, finance department distributes all checks for payment via mail, directly to vendor via pick up or drop off, unless consent given by Township Supervisor or Township Administrator. With the exception of GA checks, GA client checks are given directly to the General Assistance Director for distribution.

AUTHORIZATION OF TOWNSHIP PURCHASES

All purchases for goods or services made by Township officials and employees must be made in accordance with this Policy. All purchases for goods or services shall require advance approval of the appropriate Township official or employee, or the Township Board of Trustees, within the guidelines described below.

- A. All purchases of goods or services must correspond with a specific line-item in the Township’s approved Budget and Appropriation Ordinance for that fiscal year. No purchase of goods or services may be made unless sufficient funds remain in the appropriate line-item for that fiscal year.
- B. No agreement for the purchase of goods or services may provide for a term that extends beyond the current fiscal year in which the agreement is entered into, except as may be approved by the Township Board of Trustees and in compliance with State law.

Authorization for Township Officials

- C. The Township Board of Trustees recognizes that the Township Supervisor is required, by law, to perform certain functions and needs a certain level of autonomy to perform those functions, subject to living within the budgetary constraints set by the Township Board of Trustees. To permit those Officers to run their respective offices and perform their duties, the above-listed Township Officers are not required to bring every purchase or contract before the Township Board of Trustees prior to committing to the contract or expenditure and subject to the terms herein. All bills and expenses that are authorized for pre-payment, must be presented to the Township Board of Trustees for approval at the next Township Board meeting after payment thereof.

1. **Authorization Limits.** The Township Officials authorized to make certain agreements and purchases prior to approval of the Township Board of Trustees shall be subject to the following limits:

Dollar Limits	Required Approval
\$00.01 to \$5,000.99	<p>The Township Supervisor may commit to the expenditure or make a purchase if there are sufficient funds in the respective line-item of that fiscal year's budget and appropriation ordinance and the purchase is within their statutory authority. This shall include all recurring expenses or expenditures within \$00.01 to \$5,000.99. The warrants for their purchases will be presented to the Township Board of Trustees for approval at the next regular Township Board meeting.</p> <p>Subject to the further restrictions within this Policy, the Township Supervisor shall forward copies of any contracts they enter into to the Township Clerk.</p>
\$5,001.00 and above	<p>The Township Board of Trustees shall be required to review and approve the proposed expenditure or contract (subject to any bidding requirements, if applicable), prior to payment or execution.</p>

2. **Recurring Expenses.** Notwithstanding the foregoing, the Township Supervisor shall have the authority to pay the following payables ("Recurring Expenses") without prior examination of the audit or invoices by the Township Board of Trustees:
 - a. Township Employee compensation, IMRF contributions and all other employee payroll deduction obligations, i.e., Health insurance, deferred compensation plans, etc.;
 - b. Utility bills - gas, electric, phone, internet, water, sewer, trash;
 - c. Ordinary payments on operational contracts with an annual value less than \$5,000 that have already been approved by the Township Board of Trustees (see Board approved vendor payment list); and
 - d. Employee reimbursements and mileage expenses in a manner consistent with the Township's Travel and Expense reimbursement policy.

Authorization for Township Employees

- D. No employee shall purchase goods or services on behalf of the Township without first seeking approval as required by this policy. All purchases shall require advance approval of the appropriate Department Head, Township Officer, or the Township Board of Trustees within the guidelines described below. All purchases must conform to amounts allowed and budget for within the budget and appropriation ordinance for that fiscal year. correspond with budget amounts.
- E. Township Employees are required to obtain the following authorization prior to making any purchase on behalf of the Township:

Dollar Limits	Required Prior Approval
\$0.01 to 150.99	Department Head.
\$151.00 to \$5,000.99	Township Supervisor except that the Township Assessor may authorize such purchases for Township Employees working within the office of the Township Assessor and subject to the other requirements of this Policy.
\$5,001.00 and above	Township Board of Trustees review and authorization required prior to the expenditure and or purchase.

PRICING REQUIREMENTS

It shall be the policy of Homer Township to obtain the most cost-effective price available for purchases through competitive pricing.

- A. In most circumstances, the following guidelines will determine the level of review for pricing differences required prior to making any purchase:

Dollar Limits	Requirements
\$1,000.99 or less	Verbal quotes are sufficient (at least 2)
\$1,001.00 to \$10,000.99	Minimum of 2 Written Quotes
\$10,001.00 to \$19,999.99	Minimum of 3 Written Quotes
\$20,000.00 or greater	A formal RFP (Request for proposal) and/or competitive bid may be required in accordance with State Law and Township Ordinance. Only certain exceptions are allowed by law.

- B. All purchases of goods and services exceeding \$20,000 that are required by law to be competitively bid shall be subject to a competitive bidding process, unless otherwise exempt from such requirements under applicable law. All formal bids, RFP's, or RFQ's are to be coordinated from the Office of the Township Clerk in consultation with Township Supervisor and Township legal counsel.

- C. Township purchases are not subject to sales tax; therefore, employees shall make efforts to inform vendors of the Townships tax exempt status and to ensure that sales tax is not paid for purchases made with petty cash or credit cards. Employees shall provide vendors a sales tax exemption form. The sales tax exemption form may be obtained from accounting or Human Resources.
- D. The following special requirements apply to the Pricing Requirements outlined above:
 - a. A “Verbal Quote” may be obtained by telephone.
 - b. A “Written Quote” may be obtained in person or via mail, email, or fax.
 - c. Quotes must identify the vendor, date of communication, item, and price.
 - d. For expenditures under \$20,000, the Pricing Requirements process may be waived by the Township Board of Trustees if, in the opinion of the Township Board of Trustees, efforts to obtain quotes were exhausted or are impractical to obtain.
 - e. Exceptions to the Pricing Requirements include single source vendors, repeat and repetitive purchases, requirements by state statute or local ordinance, emergency purchases, prior-approved or allowed contractual obligations, professional services, or other situations authorized by the Township Board of Trustees, existing Township policy, or otherwise by law.
 - f. Splitting a single purchase into two or more purchases to avoid the numeric limits herein is a violation of policy and of law.

LOCAL PURCHASING

For purchases not exceeding the threshold requiring formal, competitive bidding, the Township Supervisor and Board of Township Trustees for Homer Township officially adopt a preference for businesses located in Homer Township for the purposes of helping to stimulate local business development and foster a stronger local economy.

EMERGENCY PURCHASES

- A. Illinois State law provide that in case of accident, disaster or other circumstances creating a bona fide public emergency, the Township Supervisor may authorize expenditures without complying with the bidding and pricing requirements for the purpose of meeting said emergency; but shall file promptly with the Township Board of Trustees a certificate showing such emergency and the necessity of such action, together with an itemized account of all expenditures.

- B. Emergency or Special Board meetings may be called upon notice by the Township Supervisor, in accordance with State Law, for prior approval of expenditures over \$10,001 that are not in response to a public emergency but seriously impede the Township from meeting its obligation to citizens, taxpayers, or employees.
- C. Reporting to the Township Board of Trustees would be handled through the first Board Audit Report immediately following the emergency expenditure.

COOPERATIVE PURCHASING

The Township shall have the authority to join with other units of local government in cooperative purchasing plans when the best interests of the Township would be served thereby. The Township may also participate in the Illinois Joint Purchasing Program pursuant to 30 ILCS 525/0.01 *et seq.*

This Policy was adopted and approved on November 8th, 2021, by Resolution No. HT2021-1108-RES1.