

Palatine Public Library District
Strategic Plan 2018-2021

Focused for the Future



DRAFT



Introduction

The Palatine Public Library District (Library) provides a wide variety of library programs and services to a population of 89,000 in the northwestern suburbs of Chicago. The Library operates three facilities: a 96,000 square foot main library and two branch libraries (North Hoffman and Rand Road).

This plan represents the overall strategy for the Library over the next three years and is presented to the Board of Trustees for approval in 2018. Upon approval, Library staff will finalize an Activity Plan to support the overall strategy and evolve as we work toward goals. Staff will regularly review progress toward meeting plan goals and report to the Board.

Our planning process was inclusive and enlightening. We remain committed to our community and core services and are excited about the focus this plan will bring through 2021. We hope this plan inspires growth and change over the next three years that lead to increased impact in our community.

Background

This planning process allowed the Library to review all planning documents and data to bring focus and direction under one document, thus uniting the Library's direction in one plan. The Library has many assets and has spent time developing plans for financial and capital needs in the future. Current strategic and long-range plans exist to guide the Library's activities but lacked inspiration from the staff and community. The Library engaged in this planning process to spend time learning about community needs and mining current plans and data with input from the Board and staff to find strengths and momentum allowing focused efforts going forward.

Amanda E. Standerfer from Fast Forward Libraries, a strategic planning consultant and librarian, helped guide the planning process. The planning team included:

- Debby Brauer, Library Trustee
- Jeannie Dilger, Executive Director
- Andrea Lublink, Communications and Marketing Manager
- Susan Conner, Technology Manager
- Maureen Galvan, Assistant Director for Support Services

The planning team met regularly starting in March 2018 to design, manage, and execute the planning process.

Planning Process & Data Highlights

In order to create a cohesive, actionable plan, we reviewed a wide variety of existing data and spent time talking with community members at focus groups and a community stakeholder lunch. The data we reviewed included a recent community survey, interviews held during the website redesign process, library reports and statistics, existing library plans and consultant reports, strategic plans for surrounding libraries, and strategic plans for other community organizations and institutions.

The 2016 community survey was key for understanding perceptions about the Library and areas of focus for the future. The survey gave several conclusions that dovetailed with the planning process:

- The community values the collection and variety of materials.
- Excellent customer service is a strength.
- The Library should continue to learn from the community about needs and how to respond.
- Evaluation and showing impact are important.
- Budget constraints require the Library to prioritize.

Library strengths and challenges emerged during meetings with the Board, staff, and community:

- The Library increases quality of life in the community and provides opportunities for all to learn and connect.
- Library programs are enjoyed by all ages.
- Staff members go above and beyond, and the community welcomes the opportunity to build stronger relationships with them.
- Building issues (how space is used and overall maintenance of facilities) and funding constraints are major concerns.
- The Library plays a unique community connector role (social, educational, and entertainment), both in and out of the building.
- Information and access to technology are greatly valued by the community.

We used targeted questions during the focus groups to increase understanding of the community’s concerns and how the Library could best respond. We specifically asked about how the Library increases the quality of life in the community, how the Library could increase engagement with the community, and how the Library could provide exceptional experiences for patrons. Focus group attendees gave a wide range of comments, including current library activities and possible activities and areas of focus for the future.

This table shows a summary of feedback received at the focus group sessions:

Quality of Life	Community Engagement	Patron Experience
Safe, clean, comfortable	Connecting/partnering with nonprofits	Engage proactively with visitors
Connection to community	Programs	Volunteers
Educational programs	Meeting rooms for community use	Think about experience from when patron walks in through entire interaction
Access for all, access to information	More communication about what’s going on	Spaces in library for quiet, social, study, etc. (café)
Quiet space, social space (café)	Cross promotion of what’s happening in the community	Communication about what’s going on, resources, suggestions
People trust the Library	Think about reaching those that aren’t naturally drawn to the Library	Build relationships

The planning team helped narrow the vision, mission, and strategic initiatives for review by the Board at a retreat in late July. With a plan starting to take shape, staff added their input during two retreat sessions in mid-August. The retreat sessions brought cohesion to the developing plan and allowed for the plan’s design to emerge.

Vision

Inspiring connection, curiosity, and joy.

Our vision is what we hope to achieve for our community. We want our community to connect, in and outside of the Library. We hope to inspire curiosity in individuals and then satisfy their curiosity. Connecting people and inspiring curiosity is joyful work. Joy is what we want to manifest in the community. We believe that our vision is achievable if we intentionally and effectively carry out our mission.

Mission

We welcome everyone to access diverse materials, collaborative spaces, technology, programs, and services.

Our mission is the core of what we do as a library and how we plan to achieve our vision. Welcoming everyone is our strength and key to carrying out our work and strategic plan. Our mission states what we promise to provide to our community.

Strategic Initiatives

This plan is divided into three areas of focus: Experience, Engagement, and Endurance. These strategic initiatives emerged during the planning process after reviewing community survey and library data, meeting with the Board and staff, and discussing with the planning team. At the Board retreat, we affirmed these three strategic initiatives as key to the Library's success going forward.

Outcomes

What's working: The staff is committed to working together to serve the community. They have a strong sense of customer service and creating great experiences for patrons. Mutual joy is part of every transaction and interaction at the Library.

Staff are not afraid of change. The pace of change can be overwhelming and we continuously work to manage change and focus on what's needed to implement change.

Overall, staff are committed to the Library's future and look forward to what's next. We can do more to develop our staff, as they are enthusiastic about their jobs and want to make a difference. We can build on this strength and think about how to equip staff with additional skills to benefit patrons and increase job satisfaction.

What can be improved: We want to do more for our community. The limitations of our budget get in the way of our ability to do new things and creatively expand current offerings. We respond to the scarcity of resources by being resilient. Increasing operating funds is necessary to carry out all aspects of this plan. Having this plan in place will help us develop the message about why we need additional funding. Increasing our evaluation efforts will help us tell our story of impact in the community with clarity.

We need to consider how the community interacts with the Library and our physical and virtual spaces. During the focus groups, participants noted that interior spaces (at the main library and branches) could flow better and allow for better interactions and access to materials. We can use our physical spaces to create better experiences to promote increased usage.

What else is needed: We can increase communication to build awareness of our services and programs. We can discover how our community learns about the Library and all that we offer. We can think strategically about our communications and evaluate what's effectively reaching people.

We should evaluate our programs and services to know what is having an impact. The Library's resources are stretched with all we offer to the community. It's not sustainable to "do more with less" indefinitely. Lacking additional operating funds, we need to know what's making the biggest difference so we can focus.

We need to be sustainable. While sustainability is part of everything we do, our need to be sustainable is particularly evident when it comes to our facilities and finances.

Goals, Activities, Measures

The following pages summarize the strategic plan with additional detail for each strategic initiative, including potential activities for each goal and possible metrics. Library staff will draft the activity plan that will serve as an implementation guide. We will present regular progress reports at future Board meetings.



Experience

We strive to ensure that individuals have exceptional interactions with the library and are connected with resources and services that increase their quality of life.

We exceed expectations.

We know that our staff, collections, and facilities are strengths. We are poised to move forward in a coordinated way that benefits our community.

Our staff members are eager to learn. We can learn from each other (cross-training) and from others (formal training, community surveys, etc.). We can be work to create great experiences for every person who interacts with us, virtually and in person. This includes thinking about the design of our spaces and what we want people to do in those spaces.

Our collections are diverse in subject and format. Providing access to our collections is a core function and connects to everything else we do as an organization. We can spend time learning about how people use our collection. Then we can work to make access easier and more intuitive for staff and the community.

Goal	Possible Activities
1) <i>The library has comfortable, flexible spaces that encourage use and connection.</i>	<ul style="list-style-type: none"> • Complete space needs assessment • Remodel interior space to allow for more efficient use and areas for socialization • Redesign/modernize display space
2) <i>The library's collection is vibrant and convenient to access.</i>	<ul style="list-style-type: none"> • Evaluate the mobile app • Evaluate our library catalog software to determine future needs • Upgrade phone system
3) <i>The library is committed to quality patron interactions.</i>	<ul style="list-style-type: none"> • Review policies and procedures to ensure patron-first focus • Consider a "secret shopper" program to learn about patron experience • Implement evaluation framework that regularly collects data from patrons • Define "exceptional" service; create training and checklist for evaluation

Potential Measures of Success

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| <ul style="list-style-type: none"> • Regular patron surveys reporting on satisfaction (situational and long-term) • Track key indicators of satisfaction (collections, staff, facilities) | <ul style="list-style-type: none"> • Post-program feedback surveys • App downloads • Staff satisfaction surveys • Secret shopper reports |
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Engagement

We work continuously with the community to increase our reach and expand our impact.

We are a valued community partner.

A successful library works together with the community. Some people naturally gravitate to our services and attend our programs, but barriers exist that keep others away. Welcoming everyone is our value. We can work harder to spread this message in ways it can be received by those not naturally inclined to utilize the Library.

We have worked to create strong partnerships with community organizations and value what we learn through joint efforts. The allocation of resources in our community means that increased partnerships and joint efforts are needed to provide increased value to the community. The Library brings a unique set of skills and knowledge to these efforts that we can continue to communicate about and promote. We can proactively look for partnerships that are mutually beneficial.

Goal	Possible Activities
1) <i>The community has high awareness of library services and programs.</i>	<ul style="list-style-type: none"> • Create comprehensive communications plan that includes branding, social media, and messages • Evaluate signage (internal and external) for all locations
2) <i>The library interacts with its diverse community to discover and respond to current needs of all groups.</i>	<ul style="list-style-type: none"> • Increased visits to bilingual groups • Create opportunities for conversations/discussions with the community to learn more about their needs and how the library can respond
3) <i>The library creates and deepens meaningful partnerships with local organizations and businesses.</i>	<ul style="list-style-type: none"> • Consider deeper relationships with groups using meeting rooms • Staff and trustees assigned to attend local organization meetings • Inventory partnership efforts and create criteria for assessing which partnerships to pursue

Potential Measures of Success

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| <ul style="list-style-type: none"> • Regular patron surveys reporting on satisfaction (situational and long-term) • Post-program feedback surveys • Partner criteria reviewed • Plan for partnership development | <ul style="list-style-type: none"> • Annual reflective learning focus groups (with partners and community in general) to gather input about how the library is doing and future community needs • Number of community meetings attended |
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Endurance

We strive for sustainability in our practices, human and financial resources, and facilities.

We are a resilient organization.

To become a stronger organization, we must pay attention to human, financial, and physical resources. The data we gathered indicated pride in how the Library has stretched the budget. While this is noble, it's not sustainable and places a burden on the Board and staff. It creates a culture of scarcity and anxiety that the lack of resources negatively impacts the Library's ability to carry out its mission.

We have the opportunity to increase staff job satisfaction in a variety of ways. Staff are interested in learning more about each other and what other positions/departments do at the Library. Deeper connection with all aspects of the Library will promote retention. Improving recognition and benefits will also increase retention and attract quality new employees.

Goal	Possible Activities
1) <i>The library is a trusted steward of resources.</i>	<ul style="list-style-type: none"> • Create comprehensive financial plan for the future • Increase transparency by posting more financial information on website • Develop alternative revenue sources • Conduct operating referendum campaign
2) <i>The library is a preferred employer that values staff development and retention.</i>	<ul style="list-style-type: none"> • Review hiring practices and incorporate values/culture statement • Develop staff cross-training plan • Review and improve staff benefits package • Formalize staff recognition and retention programs
3) <i>The library's systems and facilities are resilient, modern, and efficient.</i>	<ul style="list-style-type: none"> • Develop maintenance plans for all facilities • Create technology plan with replacement guidelines • Increase green practices

Potential Measures of Success

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| <ul style="list-style-type: none"> • Financial, maintenance, technology plans kept up to date • Staff satisfaction surveys (especially consider hiring, retention, and recognition) | <ul style="list-style-type: none"> • Sustainable budget that meets community needs • Energy audit |
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Next Steps

After this plan is adopted by the Board, staff will finalize the activity plan to guide implementation efforts. Implementation will be an ongoing process, as the timing of certain activities are determined by priority and sequence. We will review and adjust the activity plan on an annual basis after review of progress made by staff.

Evaluation of progress toward strategic plan goals will evolve during implementation. Staff will finalize measurements for each strategic initiative after determining what data to collect for specific activities. Some evaluation aspects, like community surveys, will report on progress for several goals, while other goals will have specific metrics collected during implementation. We are committed to reporting progress and opening channels for communication and continued input as we move forward.

Finally, we commit to a comprehensive review and update of this plan at its completion. We have confidence that this plan will move us significantly forward and anticipate using this process as a best practice for maintaining momentum and an institutionalized way of operating. This plan is just the first step, and we are committed to moving forward together to strengthen our library well into the future.

5 - Financial Management

Adequate financial support is necessary to operate the Palatine Public Library District (~~District~~**Library**) and to provide a quality program of service. Sound budgeting, accounting, and reporting procedures contribute to the effective use of ~~District~~**Library** funds.

Efficient methods of business management and effective controls are employed by the **Executive** Director for business practices and support services. Complete and accurate records of all transactions are kept for audit purposes.

5-1 Budget and Appropriation **Ordinance**

The Board of Library Trustees (Board) will, within the first quarter of each fiscal year (July 1-June 30), and no later than the fourth Tuesday of September, prepare and enact a budget and appropriation ordinance pursuant to the provisions of the Illinois Public Library District Act (75 ILCS 16/30-85).

A certified copy of such ordinance will be published once, and the Board will then ascertain the total amount of the appropriation made for all purposes permitted by this Act, and the total amount of moneys necessary to be raised therefore. The Secretary files a certified copy of the Budget and Appropriation Ordinance with the County Clerk within 30 days of its adoption (along with the Treasurer's Estimate of Revenues).

5-1.1 Levy

By the first Tuesday in December, after publication of the appropriation ordinance, the Board will enact a levy ordinance incorporating the appropriation ordinance by reference, and will levy not to exceed the total amount of such appropriation, taking into consideration moneys to be raised from other than tax sources, upon all property subject to taxation within the Library ~~District~~ as that property is assessed and equalized for state and county purposes for that year.

The Secretary will file, on or before the last Tuesday in December, a certified copy of each levy ordinance with the County Clerk of each county affected by the levy.

The Secretary will also file, on or before the last Tuesday of December, certified copies of the appropriation and levy ordinances with the library or libraries operated by the ~~District~~**Library** and make such available to public inspection at all times. (4-9-86, ~~revised 10-11-95, revised 12-9-09; revised 7-11-12, effective 7-11-12; reapproved 10-8-14; reapproved 12-14-16~~)

5-2 Working Budget

The **Executive** Director presents a working budget for approval by the Board. This budget clearly identifies each category to support the amount requested. Managers submit requests to the **Executive** Director for consideration and possible inclusion in the working budget. The Board may transfer funds in the established working budget from one line item to another. (4-9-86, ~~revised 10-11-95, reapproved 12-9-09; revised 7-11-12, effective 7-11-12; reapproved 10-8-14;~~ reapproved 12-14-16)

5-3 Tax Revenues

The proceeds of all taxes collected for **DistrictLibrary** purposes, and all other moneys belonging to the **DistrictLibrary**, are deposited with the Treasurer of the **DistrictLibrary** and kept by him/her in separate funds. The Treasurer will establish a library fund and one or more such separate funds as he/she deems necessary and as may be required by law, but no part of any such fund or funds may be expended by him/her except upon warrants certified as correct by the **Executive** Director and approved by the Board.

Funds involved in accumulations as herein provided, or donations to the **DistrictLibrary**, may be kept in separate and interest bearing accounts in one or more banks or savings and loan associations in which public funds may be deposited, or invested as provided by law. (4-9-86, ~~revised 10-11-95, reapproved 12-9-09; revised 7-11-12, effective 7-11-12; reapproved 10-8-14;~~ reapproved 12-14-16)

5-4 Operating Fund Balance

The **DistrictLibrary** maintains adequate fund balances for operational purposes in order to provide residents throughout the service area with continuous, sustained library service.

Funds are held in reserve to avoid, insofar as possible, the need for short-term borrowing due to the known unpredictability of the timing of receipt of funds. ~~Tax levy payouts typically begin no sooner than the third month of the fiscal year and have begun as late as the fifth month of the fiscal year.~~

The Board will seek to retain a reserve balance in the operating fund equal to an amount needed to continue library operations for a period of six months. At the end of each fiscal year (June 30th), the **Executive** Director will project the minimum amount needed to operate the library for a six-month period and an assessment of the fund balance will be made at that time.

If the operating fund balance falls below the amount needed to operate the library for six months, any unexpended balance of the proceeds received from the previous fiscal year's public library taxes up to the amount needed to reach the six-month operating figure will generally remain in the operating fund balance. Any additional amount of unexpended funds from the previous fiscal year may be transferred to the Library's special reserve fund. The Board will consider any anticipated need for capital expenditures in the upcoming fiscal year when making a decision about retaining funds in the operating fund balance or transferring allowable funds to the special reserve fund (75 ILCS 16/40-50).

In any case of reduction in the amount of funding available to the Library, funds will be allocated to cover operational expenses in order to make every attempt to fulfill the Library's mission as stated in the Board-adopted Mission Statement. While the Library seeks to maintain a six-month or greater operating fund balance, unforeseeable expense increases may prevent attainment of that goal.

The Library makes information pertaining to budget establishment and management available to the public and posts the Library's working budget online. (approved 11-12-08, ~~reapproved 12-9-09; revised 7-11-12, effective 7-11-12; reapproved 10-8-14;~~ reapproved 12-14-16)

5-5 Grants

Upon receipt, grant funds will be deposited in an approved financial institution. When appropriate, separate accounts for grants will be maintained. Disposal of items purchased with grant funds is subject to the specific grant provisions as well as to the provisions of the Library District Act (75 ILCS 16/30-55.32) relating to the sale or disposition of library property. (4-9-86, ~~revised 12-9-09, reapproved 7-11-12; reapproved 10-8-14;~~ reapproved 12-14-16)

5-6 Gifts, Memorials, and Bequests

The District may, by action of the Board, accept gifts, grants, donations, memorials, bequests, and titles to property. Only those gifts that the Board, with advice from the Executive Director, deems consistent with the policies, programs, and interests of the **District Library**, and with applicable laws and statutes, will be accepted.

The responsibility for the selection of memorial materials rests with the Executive Director following consultation with the donor. Memorial plates may be attached to items, or suitably displayed.

The Board, with advice from the Executive Director and Staff, reserves the right to use any unrestricted donation received by the **DistrictLibrary** in any manner it deems appropriate. Unless a donor requests anonymity, names of donors may be publicized.

Once accepted, donations are the property of the Palatine Public Library District.

The **DistrictLibrary** may replace any donation with an in-kind item or may dispose of any donation at any time it no longer remains consistent with policies, programs, and interests of the **DistrictLibrary**.

Staff will thank and recognize donors following the **Ddonation Pprocedures and Donor Recognition Plan**.

(4-9-86, ~~revised 10-11-95, revised 9-10-08, revised 12-9-09; reapproved 7-11-12; reapproved 10-8-14; reapproved 12-14-16; last~~ revised 12-13-17, effective 1-1-18)

5-7 Investments

5-7.1-~~0~~ Investment Policy

Under this instrument, the Palatine Public Library District's ~~investment Ppolicy~~, it is the policy of the **DistrictLibrary** to invest all funds under the **DistrictLibrary**'s control in a manner ~~which that~~ will provide the highest investment return using authorized instruments, while meeting the **DistrictLibrary**'s daily cash flow demands and in conformance with all State statutes governing the investment of public funds.

This ~~Ppolicy~~ applies to all investments entered into on or after the effective date of this instrument. Until the expiration of investments made prior to the effective date of this ~~Ppolicy~~, such investments will continue to be governed by the policies in effect at the time such investments were made.

The Library will comply with the Illinois Public Funds Investment Act (30 ILCS 235).

5-7.2-~~0~~ Investment Guidelines

The primary objective in the investment of **District-Library** funds is ~~to ensure the safety of principal, while~~ managing liquidity to pay the financial obligations of the **DistrictLibrary**. **Safety of principal is the secondary objective. ,and providing-Within those objectives, the Library will seek** the highest investment return using authorized instruments.

5-7.2.1 Liquidity

The investment portfolio must remain sufficiently liquid to enable the Library to meet all operating requirements which might be reasonably projected.

Safety

~~The safety of principal is the foremost objective of the investment program. District investments will be undertaken in a manner which seeks to ensure the preservation of capital in the portfolio. To attain this objective, diversification, as defined in Section 5-7.9.0 of this Policy, is required to ensure that the District prudently manages market, interest rate and credit risk.~~

5-7.2.2 Safety

Library investments will be undertaken in a manner that seeks to ensure the preservation of capital in the portfolio. To attain this objective, diversification, as defined in Section 5-7.9.0 of this policy, is required to ensure that the Library prudently manages market, interest rate, and credit risk.

Liquidity

~~The investment portfolio must remain sufficiently liquid to enable the District to meet all operating requirements which might be reasonably projected.~~

5-7.2.3 Return on Investment

- 1) The investment portfolio will be designed to obtain the highest available return, taking into account the ~~District's~~ **Library's** investment risk constraints and cash flow needs and the ~~District's~~ **Library's** desire to promote fiscal responsibility. The portfolio will be structured to obtain the highest investment return using authorized investments during budgetary and economic cycles as mandated in Section 5-7.1.0 of the ~~investment P~~ **policy**.
- 2) The ~~rate of return achieved on~~ **performance of** the ~~District's~~ **Library's** portfolio will be measured against relevant industry benchmarks at regular intervals to determine the effectiveness of investment decisions in meeting investment goals.

5-7.2.4 Periodic Review of Investment Portfolio

The Finance Manager will report to the Executive Director on an as-needed basis and will provide a written report to the Board at least monthly.

The ~~Treasurer~~ **Finance Committee** will make a periodic review, not less frequently than ~~monthly~~ **annually**, of the ~~District~~ **Library's** investment portfolio; its effectiveness in meeting the ~~District~~ **Library's** needs for safety, liquidity, rate of return, and diversification; and the general performance of such portfolio. ~~The Finance Manager will report to the Director on an as-needed basis, and will report to the Board at least monthly.~~

5-7.3-0 Prudence

Investments are made with the judgment and care, under the circumstances then prevailing, which persons of prudence, discretion, and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable preservation of their capital as well as the probable income to be derived. This "prudent person" standard will be used by all investment officers of the ~~District~~ **Library** and will be followed in making investments for the ~~District~~ **Library** and in managing those investments.

5-7.4-0 Ethics and Conflicts of Interest

Authorized investment officers of the ~~District~~ **Library** and employees in policy-making positions must not engage in personal business activity that could conflict, or give the appearance of a conflict with proper execution of the investment program, or ~~which-that~~ could impair their ability to make impartial investment decisions. Such individuals must disclose to the ~~District~~ **Library** any material financial interests in financial institutions ~~which-that~~ conduct business with the ~~District~~ **Library**, and they must further disclose any personal financial investment positions that could be related to the performance of the investment portfolio. In addition, such individuals must subordinate their personal investment transactions to those of the investment portfolio, particularly with regard to the time of purchases and sales. In any case, the Public Officer Prohibited Activities Act (50 ILCS 105 3 (a)) must be followed.

No person acting as Treasurer or financial officer for the ~~District~~ **Library**, or who is employed in any similar capacity by or for the ~~District~~ **Library**, may do any of the following:

- 1) have any interest, directly or indirectly, in any investments in which the ~~District~~ **Library** is authorized to invest.

- 2) have any interest, directly or indirectly, in the sellers, sponsors, or managers of those investments.
- 3) receive, in any manner, compensation of any kind from any investments in which the **DistrictLibrary** is authorized to invest.

5-7.5-0 Authorized Broker/Dealers and Financial Institutions

The **DistrictLibrary** Board has the sole responsibility to select which financial institutions (Illinois Funds, banks, savings & loan, credit unions, and other non-banks) will be depositories for the **DistrictLibrary**. Any financial institution, upon meeting the requirements of the Illinois Compiled Statutes and of this policy, may request to become a depository for **DistrictLibrary** funds. The **DistrictLibrary** will take into consideration security, size, location, financial condition, service fees, competitiveness, and the community relations involvement of the financial institution when choosing depositories along with any additional requirements of the Public Funds Investment Act (30 ILCS 235/6).

5-7.6-0 Authorized and Suitable Investments

As of the effective date of this Policy, the list of authorized investments will include all those as authorized by Section 2 of the Public Funds Investment Act (30 ILCS 235/2).

~~5-7.7-0~~ **[Note to Board: This section is covered under Section 2 of the Public Funds Investment Act, as mentioned directly above.] Investment Restrictions**

- ~~1) — Authorized investment officers must not invest in tri-party repurchase agreements or derivative products, and will not leverage assets through reverse repurchase agreements.~~
- ~~2) — Except for repurchase agreements of government securities which are subject to the Government Securities Act of 1986, the District will not purchase or invest in instruments which constitute repurchase agreements, and no financial institution may enter into such an agreement — with or on behalf of the District unless the instruments and the transaction meet the requirements of Section 2(h) of the Public Funds Investment Act (30 ILCS 235/2(h)).~~
- ~~3) — Repurchase agreements may be executed only with approved financial institutions or broker/dealers meeting the District's established standards, which will include a mutual execution of a Master Repurchase Agreement adopted by the District.~~

5-7.78.0 Collateralization

At all times, in order to meet the objective of safety of capital, the Library will require deposits in excess of the federally insured amount to be collateralized to the extent of 110% and evidenced by an approved written agreement. Approved types of collateralization are found in 30 ILCS 235/6(d).

~~Collateralization will be required above depository insured amounts on two types of District investments:~~

- ~~1) **Deposit Collateralization:** Collateral securities approved by the District with a market value equal to at least 110% of deposits in excess of \$250,000 (or the maximum amount insured by the FDIC) per institution will be required. The collateral will be marked to market and adjusted, if necessary, to the 110% level on at least a weekly basis. Insured certificates of deposit, share certificates, surety bonds and letters of credit with a value of at least 102% of deposits in excess of \$250,000 (or the maximum amount insured by the FDIC) per institution will be required.~~
- ~~2) **Repurchase Agreement Collateralization:** Direct treasury securities with a market value equal to at least 102% of the value of the repurchase agreement will be maintained at all times. Repurchase agreement collateral will be marked to market at the time of execution and daily thereafter.~~

5-7.89.0 Diversification

The investment portfolio will be diversified to eliminate the risk of loss resulting from concentration of assets in a specific maturity, a specific issuer, or a specific class of securities. ~~In order to properly manage any risk attendant to the investment of District assets, the portfolio will not exceed the following diversification limits unless specifically authorized by the District:~~

- 1) The **District Library** will seek to achieve diversification in the portfolio by distributing investments among authorized investment categories among financial institutions, issuers, and broker/dealers;
- ~~2) **The investment portfolio will not hold timed deposits constituting more than 10% of any single financial institution's total deposits;**~~
- ~~3) **No investment category will exceed 40% of the District's portfolio, with the exception of cash equivalents and treasury securities as defined in Section 5.0 of this Policy; and**~~

- 42) ~~The District will invest the majority of District funds in authorized investments of less than one-year maturity. No investment will exceed two-three years maturity.~~

[Note to Board: The Policy Committee feels that a three-year horizon offers more options for diversification and return on investment. A Finance Committee could review this on an annual basis, if not more frequently.]

- 3) **The allocation of assets within investment categories will be approved by the Board of Library Trustees.**

5-7.910.0 Safekeeping and Custody

~~Third-Third-party safekeeping is required for all collateral securities, as per section 4 of the Public Funds Investment Act (30 ILCS 235/4). To accomplish this, collateral will be held at a safekeeping depository as approved by the Board. Safekeeping will be documented by an approved written agreement. Substitution exchange or release of securities held in safekeeping may be done upon two days prior written notice to the Treasurer. When collateral is extended, the Treasurer will receive a copy of the financial institution's board minutes, indicating the Board of Directors' approval as well as records and agreements documenting the nature of the collateralization.~~

5-7.104.0 Internal Controls

The Treasurer along with the **Executive** Director and Finance Manager will establish internal controls, ~~which that~~ will be documented in writing and filed with the Board for review. The controls will be designed to prevent losses of public funds arising from fraud; employee error; misrepresentation by third parties; ~~unanticipated changes in financial markets~~, or imprudent actions by Trustees, staff, or authorized investment advisors.

5-7.11.1 ~~Asset Allocation~~ **[NOTE to Board: Moved to section 5-7.9 (3) above.]**

~~The allocation of assets within investment categories authorized under Section 5-7.5.0 of the Investment Policy will be approved by the Board of Library Trustees.~~

5-7.11.2 ~~Competitive Bidding~~ **[NOTE to Board: Covered under Purchasing Policy, section 5-10.]**

~~Authorized Trustees and staff will obtain competitive bids from at least three (3) broker/dealers prior to executing the purchase or sale of any authorized investments.~~

~~Certificates of deposit will be purchased by authorized Trustees and staff on the basis of a qualified financial institution's ability to pay a required rate of interest to the District set on a daily basis. Such rate is generally determined on the basis of treasury or other appropriate market rates for a comparable term.~~

5-7.12.0 ~~Limitation of Liability~~ **Indemnification**

~~The standard of prudence to be used by authorized investment officers will be the "prudent person" standard as stated in Section 5-7.3.0 above, and will be applied in the context of managing an overall portfolio. Authorized Trustees and Sstaff acting in accordance with written procedures and this Ppolicy and exercising due diligence will be relieved of personal liability for an individual security's credit risk or market price changes, provided deviations from expectations are reported in a timely fashion and necessary action is taken to control adverse developments.~~

~~5-7.13.0~~ ~~Reporting~~ **[NOTE to Board: Covered under 5-7.2.4 Periodic Review of Investment Portfolio above.]**

~~All investment transactions are recorded by the Finance Manager. A report will be generated, at least monthly, listing all active investments, location of investments, maturity of investments, interest rate, and other pertinent information deemed necessary and reviewed by the Treasurer. This report will be submitted monthly to the Board.~~

5-7.124.0 Delegation of Authority

The Board may employ one or more investment advisor(s) possessing superior capabilities in the management of assets of governmental bodies. The Board will require the investment advisor(s) selected and working on behalf of the **DistrictLibrary** to meet the following conditions:

- 1) To take actions in the exercise of its discretion ~~which~~ **that** in its best professional judgment are in the best interests of the **DistrictLibrary** and in accordance with this policy. Such actions include but are not limited to (a) the allocation of **DistrictLibrary** funds among alternative types of investments; (b) specific investment opportunities regarding the acquisition, retention, or disposition of investments; and (c) the recommendation of the addition, deletion, or modification of authorized investments.

- 2) To execute all investment transactions on behalf of the **DistrictLibrary** at the best net price, ~~utilizing~~**using** such approved brokers and dealers as it deems appropriate to obtain the best execution capabilities and/or valuable information with respect to the economy, at the lowest cost to the **DistrictLibrary**.
- 3) Such additional responsibilities as are set forth in such investment advisor's written contract with the **DistrictLibrary**.

~~The District's investment advisor(s) will be responsible for establishing the internal controls in written procedures for the operation of the District's investment program as set forth in this Policy.~~

~~In the absence of a contracted investment advisor, the Board retains responsibility for the implementation of the investment program set forth in the Investment Policy.~~

~~5-7.15.0~~ — **Reservation of Rights**

~~The District reserves the right to amend this Policy at any time upon the advice and consent of its Board.~~

(Section 5-7 Adopted 12-12-73; ~~revised 12-8-99, revised 12-9-09; revised 7-11-12, effective 7-11-12; revised 10-8-14, effective 10-8-14~~; reapproved 12-14-16)

5-8 Sale of Real and Personal Property

The Board is empowered to sell or otherwise dispose of real or personal property deemed no longer necessary or useful for Library ~~District~~ purposes under such terms as the Board deems best but in no event on contracts extending over a period of more than 20 years (75 ILCS 16/30-55.30). The Board may lease to others any real property not immediately useful to the **DistrictLibrary** for which plans for ultimate use have been adopted.

Such property may be sold or disposed of at a public sale as follows:

- 1) Personal property having a value of \$1,000 or less may be disposed of by the **Executive** Director.
- 2) Personal property having a unit value of more than \$1,000 but less than \$2,500 may be displayed on the Library's website and/or at the Library, and a public notice of its availability and the date and the terms of the proposed sale will be posted.

- 3) In all other cases, the Board will publish public notice of the availability and location of the real or personal property and the date and the terms of the proposed sale, giving the notice once each week for **2-two** successive weeks.
- 4) On the day of the sale, the Board will proceed with the sale and may sell the property for a price determined by the Board, or to the highest bidder.
- 5) Where the Board deems the bids inadequate, it may reject the bids and re-advertise the sale.

—————(75 ILCS 16/30.55.32)

(4-9-86, ~~revised 10-11-95, revised 12-9-09; revised 7-11-12, effective 7-11-12; reapproved 10-8-14; last~~ revised 12-14-16, effective 1-1-17)

5-9 Expenditures

The Board will abide by all laws and regulations relating to purchases by the Library ~~District~~. The purchases of goods and services will be accomplished in accordance with sound business practices.

The Board has the exclusive control of the expenditures of all Library ~~District~~ funds. Procedures for expenditures are as follows:

- 1) Funds may be disbursed for goods and services by check.
- 2) All outstanding bills must be checked by a member of the Board prior to the meeting at which the bills are presented for payment.
- 3) A warrant of bills and salaries to be paid is prepared by the Business Office for each monthly period.
- 4) Such warrant will be presented to the Board at its next regularly scheduled meeting.
- 5) **Checks may be disbursed if authorized by two Trustees, without prior approval of the warrant by the Board, under the following conditions:**
 - a. **If** a regular Board meeting is postponed beyond the second Wednesday of any month, or

b. if a delay in disbursing a check may result in an additional charge or delay in service.

~~if early approval of any payments becomes necessary, checks may be disbursed if authorized by two Trustees, without prior approval of the warrant by the Board. If a delay in disbursing a check may result in an additional charge or fee, that check may be authorized by two Trustees without prior approval of the warrant by the Board.~~ Any such payment or purchase will be ratified and confirmed by the Board at its next regular or special meeting. (4-9-86; ~~rev. 7-1-94, 11-10-95, 1/14/04, reapproved 12-9-09; revised 7-11-12, effective 7-11-12; reapproved 10-8-14)~~

- 6) ~~The Director is authorized to make purchases deemed necessary by him/her for the fluent operation of the District. The Director is authorized to hire/purchase any goods and/or services needed to resolve an emergency (anything of a life threatening nature, anything which requires immediate repair, anything which would bring considerable expense if delayed). Any such hire/purchase will be ratified and confirmed by the Board at its next regular or special meeting. Should the expenditure NOT be an emergency or not be included in the approved budget, then the proposed purchase will be presented to the Board for approval. (Revised 7-11-12, effective 7-11-12)~~
- 7) The **Executive** Director will establish all staff salaries within the framework of the salary schedule established by the Board.

All Trustees will be authorized to sign checks. Each check must have two Trustee signatures. The **Executive** Director or designated staff member signs ~~li~~mprest ~~F~~fund checks.

A petty cash account is maintained by the Finance Manager or designee in an amount to be determined by the Treasurer, **with no single item to exceed thirty-five dollars.**

An ~~li~~mprest fund is maintained by the **Executive** Director in an amount not to exceed ~~one thousand five hundred dollars, \$1500~~, with no single item to exceed ~~two hundred dollars~~**\$200**. (4-9-86; ~~revised 7-1-94, 11-10-95, revised 12-9-09; revised 7-11-12, effective 7-11-12; reapproved 10-8-14; reapproved 12-14-16)~~

5-10 Purchasing Policy

It is the duty and responsibility of the Board, with the assistance of the **Executive** Director, to establish and approve an annual working budget and ensure adequate funding for all expenditures. The **Executive** Director

administers the budget established by the Board. **-Approval of the budget by the Board shall be authority for the Executive Director to manage the Library's finances according to the plan without seeking further approval of the Board as long as the expenditures have been previously appropriated.**

In order to support the Library's ~~Mmission and Long Range~~ and ~~Sstrategic Pplans~~, staff will seek to obtain quality products and services at the lowest possible cost while also considering durability, performance, compatibility, delivery, service, and vendor location.

5-10.1 Purchasing Authority

A. Emergencies

In the event of an emergency, the Library Board may hire/purchase any goods and/or services costing \$25,000 or more in order to resolve the emergency (anything of a life-threatening nature, anything that requires immediate repair, anything that would bring considerable expense if delayed). Such expenditure must be approved by a three-fourths vote at an emergency Board meeting. Any emergency expenditure under \$25,000 would follow section C.2 Items Not Budgeted, below. (Revised 7-11-12, effective 7-11-12)

A.B. Competitive Bids/Quotations (Expenditures over \$25,000)

Non-emergency purchases, contracts, and expenditures of funds in the amount of \$25,000 or greater will be awarded following competitive bid procedures as required by Illinois law [Bids For Construction, Improvements, or Equipment Purchases (75 ILCS 16/40-45)]. ~~Certain purchases of the District are governed by the State of Illinois statutes.~~ It is the policy of the Board to follow the most responsible business practices when purchasing goods and services, in addition to complying with any statutory requirements. Statutory requirements will supersede policy provisions [(Local Government Prompt Payment Act (50 ILCS 505/1)], ~~and Bids For Construction, Improvements, or Equipment Purchases (75 ILCS 16/40-45).~~ Purchases, contracts, and expenditures of funds in the amount of \$20,000 or greater will be awarded following competitive bid procedures as required including awarding such to the lowest responsible bidder considering conformity with specifications, terms of delivery, quality, and serviceability. However, bidding is not required in the following cases:

- ~~1) Where the goods or services to be procured are able to be obtained from only one source;~~**

- ~~2) Where the services required are for professional skills or services;~~
- ~~3) In emergencies involving public health or safety or where immediate expenditure is necessary due to the situation at hand;~~
- ~~4) Contracts for the maintenance or servicing of equipment which are made with the manufacturers or authorized service agents of the equipment;~~
- ~~5) When the goods or services are procured from another governmental agency (Government Joint Purchasing Act, 30 ILCS 525/01 et seq.);~~
- ~~6) Contracts which by their nature are not adapted to award by competitive bidding, such as contracts for printing and for utilities;~~
- ~~7)–~~
- ~~8) Purchases of less than \$20,000;~~
- ~~9) Any other exception permissible under applicable law.~~

B.C. Expenditures Not Requiring A-a Competitive Bid Process (Items under \$25,000)

- 1) Budgeted Items – Items previously approved by the Board in the working budget may be approved by the Executive Director or Assistant Director if \$10,000 or over, or by a Department Manager if under \$10,000.**
 - a. Renewal or Extension of Contracts — ~~Through the approval of the annual working budget, t~~The **Executive** Director (or designee, in the **Executive** Director's absence) is authorized to renew or extend existing contracts for a term not to exceed 3 years. Contract renewals or extensions ~~which that~~ would cause expenditures to exceed the budget line must come before the Board for prior approval. The **Executive** Director will notify the Board prior to renewal or extension of any contract.
 - b. New Contracts – ~~–~~Entirely new contracts for products or services requiring a new budget line, or in excess of the current budget line, or in an amount ~~\$2025~~,000 or more must come before the Board for prior approval.
- 2) Items Not Budgeted – Items not approved by the Board as part of the annual budget must be approved by the Executive Director, if under \$10,000, or by the full board, if \$10,000 or over.**

- ~~2) Single Item Purchases of \$10,000 or More – A purchase of any single item in an amount of \$10,000 or more must come before the Board for prior approval.~~
- 3) Competitive Pricing – Whenever possible, the Library will seek multiple proposals for large purchases.**
- a. For items \$10,000 or more but less than \$25,000, the Library will seek three competitive proposals received in writing from potential vendors. If three proposals cannot be obtained, a listing of all vendors contacted for proposal requests will be maintained, noting price quotes from responsive vendors.
 - b. For items less than \$10,000, the Library may proceed without competitive proposals but will consult with more than one source whenever possible.
- ~~3) Single Item Purchases Less Than \$10,000 and More Than \$5,000 – A purchase of any single item in an amount less than \$10,000 and more than \$5,000 may be made by staff acting pursuant to the Director’s authority and instruction in the open market and will, whenever possible, be based upon a minimum of three (3) competitive proposals received in writing from potential vendors. If three proposals cannot be obtained, a listing of all vendors contacted for proposal requests will be maintained noting price quotes from responsive vendors.~~
- ~~4) –~~
- ~~5) Single Item Purchases Less Than \$5,000 – A purchase of any single item in an amount less than \$5,000 may be made by staff acting pursuant to the Director’s authority and instruction without competitive proposals but will be made in consultation with more than one source whenever possible.~~
- a.c. Government Pricing – Where a reputable vendor is able to provide established government pricing, competitive proposals are not necessary.
- ~~6) Emergency Contracts and Expenditures – A competitive proposal process is not required in an emergency situation (Policy 5-9 Number 6). At the earliest opportunity, typically at the next regularly scheduled Board meeting, Trustees will ratify and confirm contracts and purchases as described in provision 5-9.~~
- (Adopted 9/15/10; effective 10/4/10; reapproved 7/11/12; reapproved 10-8-14; **last** revised 12-14-16, effective 1-1-17)

5-11 Establishment of Prevailing Wage

In accordance with Illinois law and the Illinois Department of Labor regulations, the Board will annually adopt and file an ordinance that establishes the prevailing rates of wages. Certified copies of our compliance are sent to the Secretary of State and Illinois Department of Labor. ~~A newspaper publication notifying area residents is also made.~~ (Adopted 12/14/05, ~~reapproved 12-9-09; reapproved 7/11/12; reapproved 10-8-14;~~ reapproved 12-14-16)