

<p><b>Finance Policy</b></p>	<p><b>Section 4</b></p> <p>Issued: 1/20/2010  Revised: 11/16/2016  Revised: 9/20/2017</p> <p>Approving Authority: Plainfield Public Library District Board of Trustees</p>
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**BUDGET AND REPORTING**

The Plainfield Public Library District has a Board-approved written budget. This budget is developed annually as a cooperative process between the Board's Finance Committee, the Library Director and additional staff members with responsibility for budgetary elements. Each year, the Board of Trustees determines if the library's revenues are adequate to meet the needs of the community. If the revenues are not adequate to meet the needs of the community, the Board of Trustees takes action to increase the library's revenue.

The Plainfield Public Library District spends a minimum of 12% of its operating budget on materials for patrons. Materials include books, audiovisual materials, periodicals and fees for online information services. Costs related to the installation and maintenance of a LAN or a shared or stand-alone bibliographic database are not included.

On a monthly basis, the Library Director presents written reports on library operations to the Board of Trustees. These reports include such areas as finance, library usage, matters of personnel, collection development and programming in addition to any other relevant and pertinent information.

The Library maintains adequate records of library operations in a manner easily understood by the public as well as the Board of Trustees and Library Director. This record of library operations is presented at each Board of Trustees monthly meeting and clearly indicates the financial position of the library. In addition to the general financial position of the library, this record clearly indicates the current position of each budgetary line item including budgeted amount, receipts, monthly and year to date expenditures and remaining budget.

**ROUTINE BANKING PROCEDURES**

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

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

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

## **PURCHASING**

Purchases of the District are governed by the State of Illinois statutes. It is the policy of the Plainfield Public Library District Board of Trustees to, in addition to any statutory requirements, use the most responsible business practices in its purchases. It is the policy that all purchases, contracts and expenditure of funds shall be awarded to the lowest responsible bidder considering conformity with specifications, terms of delivery, quality and serviceability. However, bidding is not required in the following cases:

- A. Where the goods or services to be procured are economically procurable from only one source
- B. Where the services required are for professional skills
- C. In emergencies involving public health, public safety or where immediate expenditure is necessary
- D. Contracts for the maintenance or servicing of equipment which are made with the manufacturers or authorized service agents of that equipment
- E. Where the goods or services are procured from another governmental agency
- F. Purchases and contracts for the use, purchase or installation of data processing equipment or software
- G. Contracts which by their nature are not adapted to award by competitive bidding, such as contracts for printing, tax anticipation warrants and other evidences of indebtedness and contracts for utility services such as water, light, heat or telephone
- H. Purchases as identified by this policy of less than \$20,000

The staff, as required by Board directive, shall seek bids (or quotations if bids are not specifically required) from the widest possible array of contractors, suppliers and vendors that time permits. This practice will produce the most competitive offers and terms available from the widest number of interested firms or individuals.

No commitment for expenditures of District monies, except from the petty cash fund, shall be made without authorization issued according to the following conditions:

- A. **\$20,000 or More**  
All expenditures of \$20,000 or more shall be made only with prior Board approval in the manner prescribed by State law and Board rules and regulations. Advertisements for sealed bids or requests for proposals will be properly handled through the public

media. Sealed bids, based on authorized specifications, or requests for proposals shall be received at a public bid opening and include all costs for labor and materials, Bid Bond, Performance Bond and Certificate of Insurance. Bids will then be tabulated and submitted to the Board along with staff's recommendation for action. Formal contracts with appropriate signatures for both Board and Contractor are required.

- B. Less than \$20,000 - More Than \$2,500  
All expenditures of less than \$20,000, but more than \$2,500, shall be made only with prior Board approval. Staff shall obtain at least three (3) formal written quotations whenever practicable. Administrative staff will also submit a recommendation for Board action.
- C. Less than \$2,500  
Expenditures of less than \$2,500, for approved budget line items, can be made at the discretion of the Library Director. The Director shall be responsible for monitoring and adhering to pertinent budget and obtaining proper quotations.
- D. Capital expenditures shall be subject to the Fixed Asset Policy.

### **RECEIPTS AND DISBURSEMENTS**

- A. All monies received on a daily basis shall be deposited as soon as is practicable.
- B. All employee reimbursements for expenses greater than \$10.00 shall be made by means of checks drawn upon Library accounts.
- C. Two (2) of any five (5) designated signators shall sign any check drawn on a Library account.
- D. The Board of Trustees authorizes a Petty Cash fund in the amount of \$250.
- E. The Board of Trustees authorizes a Petty Cash imprest checking account in the amount of \$1,000.
- F. The Library Director shall maintain a corporate credit card account for library expenses. Designated staff shall be authorized card holders, at the Library Director's discretion.
- G. The Board of Trustees authorizes electronic payment of regular ongoing expenses, such as medical insurance premiums and utilities.
- H. The Board of Trustees authorizes a Cash Drawer Change fund in the amount of \$400.

### **TRAVEL EXPENSES AND REIMBURSEMENTS**

- A. All Trustee requested reimbursement for any type of travel expenses must be requested on a Travel Reimbursement Request form and subject to the Reimbursement Guide for Travel Expenses. Approval must be by a roll call vote by the Board of Trustees.

- B. Staff or Trustees using privately owned vehicles for library-related business shall be reimbursed for tolls, parking fees and mileage using the IRS-approved rate.
- C. Receipts and mileage for reimbursements to staff may be submitted monthly; overnight expenses must be submitted within ten (10) days.
- D. Travel, whether by private or commercial vehicle, shall be done at the lowest possible cost, with consideration for staff or Trustee time pursuant to the Reimbursement Guide for Travel Expenses.
- E. Cost of lodging will be fully reimbursed at GSA per diem rates, upon presentation of receipts and approved Travel Reimbursement Request Form.
- F. Meal expense will be reimbursed in full, using GSA per diem rates, for the following:
  - a. Full day events
  - b. When lunch is included in registration fee for local events
  - c. For overnight stays
- G. The cost of alcoholic beverages shall not be reimbursed.

### **MONETARY GIFTS TO THE LIBRARY**

The Library welcomes cash contributions, gifts of real property, stocks and bonds. It is our custom to expend cash gifts on materials, equipment, or a project which is acceptable to the donor. Although it is unlikely, there may be an occasion in which the restrictions set by the donor make it impossible for the Library to accept the contribution. All donations are subject to the approval of the Library Director and the Board of Trustees. Tax deductible contributions in support of the Library may also be made through the Plainfield Public Library Foundation.

### **DISPOSAL OF SURPLUS LIBRARY MATERIALS**

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

- A. Books and non-print materials from the Library's collection, or gift materials, may be discarded, sold, or, be given to local philanthropic, educational, cultural, government, or other not-for-profit organizations.
- B. Any other property having an individual current value of less than \$100 may, at the discretion of the Library Director, be discarded, traded in on new equipment, or made available for sale.
- C. In the case of individual surplus items having current value of more than \$100 but less than \$1,000, the Board may authorize a trade-in of such items on new equipment or sale of such items in accordance with the provisions of the Illinois Public Library Act.

- D. No favoritism shall be shown to staff, members of the Board of Trustees or members of their immediate families who make bids on or purchase any Library item declared surplus.
- E. Any property having a unit value of more than \$1,000 but less than \$2,500 will be displayed at the Library and a public notice of its availability, the date, and terms of the proposed sale shall be posted.

## **INVESTMENT OF FUNDS**

### **PURPOSE AND SCOPE**

The purpose of this policy statement is to outline the responsibilities, general objectives and specific guidelines for management of public funds by the Plainfield Public Library District. Its scope is all public funds of the Library.

### **RESPONSIBILITIES**

All investment policies and procedures of the Plainfield Public Library District will be in accordance with Illinois law. The authority of the Board of Trustees to control and invest public funds is defined in the Illinois Public Funds Investment Act and the investments permitted are described therein. Administration and execution of these policies are the responsibility of the Treasurer who is hereby designated as the "Chief Investment Officer" of the Library acting under the authority of the Board of Trustees.

### **DELEGATION OF AUTHORITY**

Management and administrative responsibility for the investment program is hereby delegated to the Chief Investment Officer. The Chief Investment Officer, and by designation, the Library Director, is responsible for establishing internal controls and written procedures for the operation of the investment program.

### **"PRUDENT PERSON" STANDARD**

All Library investment activities shall use a "prudent person" standard of care. This standard shall be applied in the context of managing an overall portfolio and specifies that investments shall be made with judgment and care, under 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 safety of their capital, as well as the probable income to be derived. Investment officers, acting in accordance with this Policy and the written procedures of the Library and exercising due diligence, shall be relieved of personal responsibility for a security's credit risk or market price/value changes, provided deviations from expectations are reported in a timely fashion and appropriate action is taken to control adverse developments.

### **OBJECTIVES**

In selecting financial institutions and investment instruments to be used, the following general objectives should be considered in the priority listed:

- A. Legality (conforming with all legal requirements) and safety (reserving capital and including diversification appropriate to the nature and amount of the funds)

- B. Liquidity (Maintaining sufficient liquidity to meet current obligations and those reasonably to be anticipated)
- C. Yield (attaining a market rate of return on investments)
- D. Simplicity of management

#### **GUIDELINES**

The following guidelines should be used to meet the general investment objectives:

##### **A. Legality and Safety:**

1. Investments will be made only in securities guaranteed by the U.S. government, or in FDIC insured institutions including SAIF of the FDIC. Deposit accounts in banks or savings and loan institutions will not exceed the amount insured by FDIC coverage [unless adequately collateralized pursuant to Regulations of the Federal Reserve regarding custody and safekeeping of collateral].
2. Authorized investments include and will primarily consist of: Certificate of Deposit, Treasury Bills and other securities guaranteed by the U.S. Government, participation in the Illinois Funds and any other investments allowed under State law that satisfy the investment objectives of the Library.

##### **B. Liquidity:**

In general, investments should be managed to meet liquidity needs for the current month plus one month (based on forecasted needs) and any reasonably anticipated special needs.

##### **C. Yield – Return on Investment:**

Within the constraints of Illinois law, considerations of safety and this investment policy, every effort should be made to maximize return on investments made. All available funds will be placed in investments or kept in interest bearing deposit accounts.

##### **D. Simplicity of Management:**

The time required by library administrative staff to manage investments shall be kept to a minimum.

#### **REPORTING**

Investments, fund balances and the status of such accounts will be reported at each regularly scheduled meeting of the Board of Trustees and at least quarterly include information regarding securities in the portfolio by class or type, book value, income earned and market value as of the report date. At least annually, the Chief Investment Officer shall review this Policy for any needed modifications and report to the Board of Trustees on the investment portfolio, its effectiveness in meeting the Library's need for safety, liquidity, rate

of return, diversification and general performance. These reports will be available to the general public upon request.

## **FUND BALANCE POLICY**

The Fund Balance Policy establishes a minimum level at which the projected year–end fund balance of each fund should be maintained. This policy is established to provide financial stability, cash flow for operations and the assurance that the District will be able to respond to emergencies with fiscal strength.

It is the Plainfield Public Library District’s philosophy to support fiscal sustainability as our first priority while also building funds for future needs. Adequate fund balance/net asset levels are crucial in long-term financial planning. If the Board of Trustees adopts a budget that does not meet the parameters of this policy, then the budget will include a plan for adhering to the policy within a three-year period.

The following parameters will be used as part of the budget process to establish targets for the following funds:

### **GENERAL FUND**

The General Fund is the general operating fund of the Library. It is used to account for administrative, library, and all financial resources, except those accounted for in another fund. The year–end balance for the General Fund shall represent no less than four months of expenditures. Balances above the maximum or at fiscal year-end may be transferred to the Special Reserve Fund through Board resolution.

### **BUILDING, SITES AND MAINTENANCE FUND**

This Fund is the maintenance and repair fund for the Library. The fund is used each year to pay for the general maintenance of the Library. After funds from this levy are expended, remaining necessary expenditures for Library maintenance are debited from the General Fund. The year–end balance shall represent no less than four months of expenditures.

### **IMRF FUND**

A non-major fund to account for expenditures resulting from mandatory participation in the Illinois Municipal Retirement Fund. Revenues are provided by a specific line item in the annual property tax levy sufficient to pay contributions on behalf of Library employees. Fund balances are legally restricted to the purpose of the fund. The year–end balance shall represent no less than four months of expenditures.

### **SOCIAL SECURITY FUND**

A non-major fund to account for expenditures for payroll taxes required by the Federal Insurance Contributions Act. Revenues are provided by a specific line item in the annual property tax levy and are therefore legally restricted to the purpose of the fund. The year–end balance shall represent no less than four months of expenditures.

### **SPECIAL RESERVE FUND**

The Special Reserve Fund shall be maintained in accordance with the last adopted Special Reserve Fund Ordinance. The Board shall update and adopt the Special Reserve Ordinance at regular intervals not to exceed three (3) years. The Special Reserve Fund is 100% committed for projects identified in the Special Reserve Fund Ordinance.

In all cases, deferred property tax revenue will not be included in the year–end fund balance amount.

### **REVIEW PROCEDURES**

Unexpected situations may cause the District to fall below the minimum level. The Library Director is responsible for regularly monitoring revenue and expenditures. If, during the year, projections suggest that revenue will not meet expectations and the fund target(s) will not be met at year–end, then the Director will take one or more of the following actions to reach the goals established in the adopted budget:

- Review expenses with Management Team
- Reduce capital asset expenditures
- Reduce operational expenditures, where appropriate, while maintaining the adopted budget goals, and
- Present to the Board of Trustees other expenditure control options, including those that might modify the goals established in the adopted budget.

This policy will be reviewed every three years.

### **FIXED ASSETS**

#### **PURPOSE**

The purpose of this fixed asset policy is to provide control and accountability over fixed assets and to gather and maintain information needed for the preparation of financial statements.

#### **OVERVIEW**

This policy is established to address the Library's investment in property, which comprises a significant resource. This policy is meant to ensure compliance with various accounting and financial reporting standards including Generally Accepted Accounting Principles (GAAP) and Governmental Accounting, Audit and Financial Reporting (GAAFR).

Further, this policy is meant to reflect the Library's desire to meet the reporting requirements set forth in the Governmental Accounting Standards Board (GASB) Statement



No. 34. Specifically, the GASB Statement No. 34 states that governments should provide additional disclosures in their summary of significant accounting policies including the policy for capitalizing assets and for estimating the useful lives of those assets which is used to calculate the depreciation expense. The Statement also requires disclosure of major classes of assets, beginning and end-of-year balances, capital acquisition, sales/dispositions and current-period depreciation expense.

#### **INVENTORY**

The Accountant will designate responsibility for control of fixed assets. The Accountant shall ensure that such control is maintained by establishing a fixed asset inventory. The inventory will include the following for each asset: 1) Asset description; 2) Asset classification; 3) Cost; 4) Estimated useful life; 5) Date asset was acquired and 6) Method of acquisition (purchase, donation). This list will be maintained, updated and reviewed by the Accountant or designee.

#### **VALUING FIXED ASSETS**

Fixed assets should be valued at cost or historical costs, plus those costs necessary to place the asset in its location (i.e. freight, installation charges.) In the absence of historical costs information, a realistic estimate will be used. Donated assets will be recorded at the estimated current fair market value.

#### **CAPITALIZING**

Assets should be capitalized if they meet the following criteria: tangible; useful life of more than one year and/or cost exceeds designated threshold as noted by category. Assets are to be capitalized at the time of acquisition.

Capital Assets include the following major classes of assets:

Land – Capitalized value is to include the purchase price plus costs such as legal fees and filing fees.

Land Improvements – Capitalized value should include improvements such as parking lots, fences, pedestrian bridges, landscaping.

Buildings – Costs include purchase price plus costs such as legal fees and filing fees.

Building Improvements – Building improvements include structures and all other property permanently attached to, or an integral part of the structure. These costs include re-roofing, electrical/plumbing, carpet replacement and HVAC.

Furniture, Fixtures and Equipment – Assets included in this category are office furniture, office equipment, phone system, kitchen equipment and shelving.

Library Materials – Library materials include all items that are checked out to the public, artwork, reference materials and items used by staff only.

Capital assets below the capitalization threshold on a unit basis but warranting “control” shall be inventoried and an appropriate list will be maintained.

**DEPRECIATION**

Depreciation is computed on a straight-line method with depreciation computed annually.

Below are the estimated useful lives and thresholds of the assets that are currently used:

<u>Category</u>	<u>Life</u>	<u>Monetary Thresholds</u>
Land	N/A	1
Land Improvements	20-30 years	25,000
Buildings	45 years	50,000
Building Improvements	10-30 years	50,000
Furniture, Fixtures and Equipment	5-20 years	5,000
*Library Materials	3-10 years	5,000

\*Library materials should be categorized by collection type with a useful life for each collection. Each year, new inventory will be added and old inventory written off.

**ETHICS ORDINANCE**

WHEREAS, the Illinois General Assembly has enacted the State Officials and Employees Ethics Act (Public Act 93-615, effective November 19, 2003, as amended by Public Act 93-617, effective December 9, 2003), which is a comprehensive revision of State statutes regulating ethical conduct, political activities and the solicitation and acceptance of gifts by State officials and employees; and

WHEREAS, the Act requires all units of local government and school districts, within six months after the effective date of Public Act 93-615, to adopt ordinances or resolutions regulating the political activities of, and the solicitation and acceptance of gifts by, the officers and employees of such units "in a manner no less restrictive" than the provisions of the Act; and

WHEREAS, it is the clear intention of the Act to require units of local government and school districts to implement regulations that are at least as restrictive as those contained in the Act, and to impose penalties for violations of those regulations that are equivalent to those imposed by the Act, notwithstanding that such penalties may exceed the general authority granted to units of local government to penalize ordinance violations; and

WHEREAS, it is the clear intention of the Act to provide units of local government with all authority necessary to implement its requirements on the local level regardless of any general limitations on the power to define and punish ordinance violations that might otherwise be applicable; and

WHEREAS, because the Act provides for the imposition of significant penalties for violations of said local regulations, it is necessary to adopt the required regulations by Ordinance rather than by Resolution;

NOW, THEREFORE, BE IT ORDAINED BY THE BOARD OF TRUSTEES OF THE PLAINFIELD PUBLIC LIBRARY DISTRICT, AS FOLLOWS:

SECTION 1: The Code of Ordinances of the Plainfield Public Library District is hereby amended by the addition of the following provisions:

**ARTICLE 1 - DEFINITIONS**

Section 1-1. For purposes of this ordinance, the following terms shall be given these definitions:

"Campaign for elective office" means any activity in furtherance of an effort to influence the selection, nomination, election or appointment of any individual to any federal, State, or local public office or office in a political organization, or the selection, nomination, or election of Presidential or Vice-Presidential electors, but does not include activities (i) relating to the support or opposition of any executive, legislative, or administrative action, (ii) relating to collective bargaining, or (iii) that are otherwise in furtherance of the person's official duties.

"Candidate" means a person who has filed nominating papers or petitions for nomination or election to an elected office, or who has been appointed to fill a vacancy in nomination and who remains eligible for placement on the ballot at a regular election, as defined in section 1-3 of the Election Code (10 ILCS 5/1-3).

"Collective bargaining" has the same meaning as that term is defined in Section 3 of the Illinois Public Labor Relations Act (5 ILCS 315/3).

"Compensated time" means, with respect to an employee, any time worked by or credited to the employee that counts toward any minimum work time requirement imposed as a condition of his or her employment, but for purposes of this Ordinance, does not include any designated holidays, vacation periods, personal time, or any period when the employee is on a leave of absence. With respect to officers or employees whose hours are not fixed, "compensated time" includes any period of time when the officer is on premises under the control of the employer and any other time when the officer or employee is executing his or her official duties, regardless of location.

"Contribution" has the same meaning as that term is defined in section 9-1.4 of the Election Code (10 ILCS 5/9-1.4).

"Employee" means a person employed by the Plainfield Public Library District, whether on a fulltime or part-time basis or pursuant to a contract, whose duties are subject to the direction and control of an employer with regard to the material details of how the work is to be performed, but does not include an independent contractor.

"Employer" means the Plainfield Public Library District.

"Gift" means any gratuity, discount, entertainment, hospitality, loan, forbearance, or other tangible or intangible item having monetary value including, but not limited to, cash, food and drink and honoraria for speaking engagements related to or attributable to government employment or the official position of an officer or employee.

"Leave of absence" means any period during which an employee does not receive (i) compensation for employment, (ii) service credit towards pension benefits and (iii) health insurance benefits paid for by the employer.

"Officer" means a person who holds, by election or appointment, an office created by statute or ordinance, regardless of whether the officer is compensated for service in his or her official capacity.

"Political activity" means any activity in support of or in connection with any campaign for elective office or any political organization, but does not include activities (i) relating to the support or opposition of any executive, legislative, or administrative action, (ii) relating to collective bargaining, or (iii) that are otherwise in furtherance of the person's official duties.

"Political organization" means a party, committee, association, fund, or other organization (whether or not incorporated) that is required to file a statement of organization with the State Board of Elections or a county clerk under Section 9-3 of the Election Code (10 ILCS 5/9-3), but only with regard to those activities that require filing with the State Board of Elections or a county clerk.

"Prohibited political activity" means:

1. Preparing for, organizing, or participating in any political meeting, political rally, political demonstration, or other political event.
2. Soliciting contributions, including but not limited to the purchase of, selling, distributing or receiving payment for tickets for any political fundraiser, political meeting or other political event.
3. Soliciting, planning the solicitation of, or preparing any document or report regarding anything of value intended as a campaign contribution.
4. Planning, conducting, or participating in a public opinion poll in connection with a campaign for elective office or on behalf of a political organization for political purposes or for or against any referendum question.
5. Surveying or gathering information from potential or actual voters in an election to determine probable vote outcome in connection with a campaign for elective office or on behalf of a political organization for political purposes or for or against any referendum question.
6. Assisting at the polls on election day on behalf of any political organization or candidate for elective office or for or against any referendum question.
7. Soliciting votes on behalf of a candidate for elective office or a political organization or for or against any referendum question or helping in an effort to get voters to the polls.
8. Initiating for circulation, preparing, circulating, reviewing or filing any petition on behalf of a candidate for elective office or for or against any referendum question.
9. Making contributions on behalf of any candidate for elective office in that capacity or in connection with a campaign for elective office.
10. Preparing or reviewing responses to candidate questionnaires.

11. Distributing, preparing for distribution, or mailing campaign literature, campaign signs or other campaign material on behalf of any candidate for elective office or for or against any referendum question.
12. Campaigning for any elective office or for or against any referendum question.
13. Managing or working on a campaign for elective office or for or against any referendum question.
14. Serving as a delegate, alternate or proxy to a political party convention.
15. Participating in any recount or challenge to the outcome of any election.

"Prohibited source" means any person or entity who:

1. is seeking official action (i) by an officer or (ii) by an employee, or by the officer or another employee directing that employee;
2. does business or seeks to do business (i) with the officer or (ii) with an employee, or with the officer or another employee directing that employee;
3. conducts activities regulated (i) by the officer or (ii) by an employee, or by the officer or another employee directing that employee; or
4. has interests that may be substantially affected by the performance or non-performance of the official duties of the officer or employee.

#### **ARTICLE 5 - PROHIBITED POLITICAL ACTIVITIES**

Section 5-1. Prohibited political activities.

1. No officer or employee shall intentionally perform any prohibited political activity during any compensated time, as defined herein. No officer or employee shall intentionally use any property or resources of the Plainfield Public Library District in connection with any prohibited political activity.
2. At no time shall any officer or employee intentionally require any other officer or employee to perform any prohibited political activity (i) as part of that officer or employee's duties, (ii) as a condition of employment, or (iii) during any compensated time off (such as holidays, vacation or personal time off).
3. No officer or employee shall be required at any time to participate in any prohibited political activity in consideration for that officer or employee being awarded additional compensation or any benefit, whether in the form of a salary adjustment, bonus, continued employment or otherwise, nor shall any officer or employee be awarded additional compensation or any benefit in consideration for his or her participation in any prohibited political activity.
4. Nothing in this Section prohibits activities that are permissible for an officer or employee to engage in as part of his or her official duties, or activities that are undertaken by an officer or employee on a voluntary basis which are not prohibited by this Ordinance.

5. No person either (i) in a position that is subject to recognized merit principles of public employment or (ii) in a position the salary for which is paid in whole or in part by federal funds and that is subject to the Federal Standards for a Merit System of Personnel Administration applicable to grant-in-aid programs, shall be denied or deprived of employment or tenure solely because he or she is a member or an officer of a political committee, of a political party, or of a political organization or club.

#### **ARTICLE 10 - GIFT BAN**

Section 10-1. Gift ban. Except as permitted by this Article, no officer or employee and no spouse of or immediate family member living with any officer or employee (collectively referred to herein as "recipients"), shall intentionally solicit or accept any gift from any prohibited source, as defined herein or which is otherwise prohibited by law or ordinance. No prohibited source shall intentionally offer or make a gift that violates this Section.

Section 10-2. Exceptions. Section 10-1 is not applicable to the following:

1. Opportunities, benefits and services that are available on the same conditions as for the general public.
2. Anything for which the officer or employee or his or her spouse or immediate family member, pays the fair market value.
3. Any (i) contribution that is lawfully made under the Election Code or (ii) activities associated with a fundraising event in support of a political organization or candidate.
4. Educational materials and missions.
5. Travel expenses for a meeting to discuss business.
6. A gift from a relative, meaning those people related to the individual as father, mother, son, daughter, brother, sister, uncle, aunt, great aunt, great uncle, first cousin, nephew, niece, husband, wife, grandfather, grandmother, grandson, granddaughter, father-in-law, mother-in-law, son-in-law, daughter-in-law, brother-in-law, sister-in-law, stepfather, stepmother, stepson, stepdaughter, stepbrother, stepsister, half brother, half sister, and including the father, mother, grandfather or grandmother of the individual's spouse and the individual's fiancé or fiancée.
7. Anything provided by an individual on the basis of a personal friendship unless the recipient has reason to believe that, under the circumstances, the gift was provided because of the official position or employment of the recipient or his or her spouse or immediate family member and not because of the personal friendship. In determining whether a gift is provided on the basis of personal friendship, the recipient shall consider the circumstances under which the gift was offered, such as: (i) the history of the relationship between the individual giving the gift and the recipient of the gift, including any previous exchange of gifts between those individuals; (ii) whether to the actual knowledge of the recipient the individual who gave the gift personally paid for the gift or sought a tax deduction or business reimbursement for the gift; and (iii) whether to the actual knowledge of the recipient the individual who gave the gift also at the same time gave the same or similar gifts to other officers or employees, or their spouses or immediate family members.

8. Food or refreshments not exceeding \$75 per person in value on a single calendar day; provided that the food or refreshments are (i) consumed on the premises from which they were purchased or prepared or (ii) catered. For the purposes of this Section, "catered" means food or refreshments that are purchased ready to consume which are delivered by any means.
9. Food, refreshments, lodging, transportation and other benefits resulting from outside business or employment activities (or outside activities that are not connected to the official duties of an officer or employee), if the benefits have not been offered or enhanced because of the official position or employment of the officer or employee and are customarily provided to others in similar circumstances.
10. Intra-governmental and inter-governmental gifts. For the purpose of this Act, "intragovernmental gift" means any gift given to an officer or employee from another officer or employee, and "inter-governmental gift" means any gift given to an officer or employee by an officer or employee of another governmental entity.
11. Bequests, inheritances and other transfers at death.
12. Any item or items from any one prohibited source during any calendar year having a cumulative total value of less than \$100.

Each of the exceptions listed in this Section is mutually exclusive and independent of every other.

Section 10-3. Disposition of gifts. An officer or employee, his or her spouse or an immediate family member living with the officer or employee, does not violate this Ordinance if the recipient promptly takes reasonable action to return a gift from a prohibited source to its source or gives the gift or an amount equal to its value to an appropriate charity that is exempt from income taxation under Section 501 (c)(3) of the Internal Revenue Code of 1986, as now or hereafter amended, renumbered or succeeded.

#### **ARTICLE 15 - ETHICS ADVISOR**

Section 15-1. The Library Board President, with the advice and consent of the Board of Trustees shall designate an Ethics Advisor for the Plainfield Public Library District. The duties of the Ethics Advisor may be delegated to an officer or employee of the Plainfield Public Library District unless the position has been created as an office by the Plainfield Public Library District.

Section 15-2. The Ethics Advisor shall provide guidance to the officers and employees of the Plainfield Public Library District concerning the interpretation of and compliance with the provisions of this Ordinance and State ethics laws. The Ethics Advisor shall perform such other duties as may be delegated by the Board of Trustees.

#### **ARTICLE 20 - ETHICS COMMISSION**

Section 20-1. There is hereby created a commission to be known as the Ethics Commission of Plainfield Public Library District. The Commission shall be comprised of three members appointed by the Library Board President with the advice and consent of the Board of Trustees. No person shall be appointed as a member of the Commission who is related,

either by blood or by marriage up to the degree of first cousin, to any elected officer of the Plainfield Public Library District.

Section 20-2. At the first meeting of the Commission, the initial appointees shall draw lots to determine their initial terms. Two commissioners shall serve 2-year terms and the third commissioner shall serve a one-year term. Thereafter, all commissioners shall be appointed to 2-year terms. Commissioners may be reappointed to serve subsequent terms.

At the first meeting of the Commission, the commissioners shall choose a chairperson from their number. Meetings shall be held at the call of the chairperson or any 2 commissioners. A quorum shall consist of two commissioners and official action by the commission shall require the affirmative vote of two members.

Section 20-3. The Library Board President, with the advice and consent of the Board of Trustees, may remove a commissioner in case of incompetency, neglect of duty or malfeasance in office after service on the commissioner by certified mail, return receipt requested, of a copy of the written charges against the commissioner and after providing an opportunity to be heard in person or by counsel upon not less than 10 days' notice. Vacancies shall be filled in the same manner as original appointments.

Section 20-4. The Commission shall have the following powers and duties:

1. To promulgate procedures and rules governing the performance of its duties and the exercise of its powers.
2. Upon receipt of a signed, notarized, written complaint, to investigate, conduct hearings and deliberations, issue recommendations for disciplinary actions, impose fines in accordance with Section 25-1(c) of this Ordinance and refer violations of Article 5 or Article 10 of this Ordinance to the appropriate attorney for prosecution. The Commission shall, however, act only upon the receipt of a written complaint alleging a violation of this Ordinance and not upon its own prerogative.
3. To receive information from the public pertaining to its investigations and to require additional information and documents from persons who may have violated the provisions of this Ordinance.
4. To compel the attendance of witnesses and to compel the production of books and papers pertinent to an investigation. It is the obligation of all officers and employees of the Plainfield Public Library District to cooperate with the Commission during the course of its investigations. Failure or refusal to cooperate with requests by the Commission shall constitute grounds for discipline or discharge.
5. The powers and duties of the Commission are limited to matters clearly within the purview of this Ordinance.

Section 20-5. Complaints

1. Complaints alleging a violation of this Ordinance shall be filed with the Ethics Commission.
2. Within three (3) business days after the receipt of a complaint, the Commission shall send by certified mail, return receipt requested, a notice to the respondent that a



complaint has been filed against him or her and a copy of the complaint. The Commission shall send by certified mail, return receipt requested, a confirmation of the receipt of the complaint to the complainant within three (3) business days after receipt by the commission. The notices to the respondent and the complainant shall also advise them of the date, time and place of the meeting to determine the sufficiency of the complaint and to establish whether probable cause exists to proceed.

3. Upon not less than 48 hours' public notice, the Commission shall meet to review the sufficiency of the complaint and, if the complaint is deemed sufficient to allege a violation of this Ordinance, to determine whether there is probable cause, based on the evidence presented by the complainant, to proceed. The meeting may be closed to the public to the extent authorized by the Open Meetings Act. The Commission shall issue notice to the complainant and the respondent of the Commission's ruling on the sufficiency of the complaint and, if necessary, on probable cause to proceed within seven (7) business days after receiving the complaint.

If the complaint is deemed sufficient to allege a violation of Article 10 of this Ordinance and there is a determination of probable cause, then the Commission's notice to the parties shall include a hearing date scheduled within four (4) weeks after the complaint's receipt. Alternatively, the Commission may elect to notify in writing the attorney designated by the corporate authorities to prosecute such actions and request that the complaint be adjudicated judicially. If the complaint is deemed not sufficient to allege a violation or if there is no determination of probable cause, then the Commission shall send by certified mail, return receipt requested, a notice to the parties of the decision to dismiss the complaint and that notice shall be made public.

If the complaint is deemed sufficient to allege a violation of Article 5 of this Ordinance, then the Commission shall notify in writing the attorney designated by the corporate authorities to prosecute such actions and shall transmit to the attorney the complaint and all additional documents in the custody of the Commission concerning the alleged violation.

4. On the scheduled date and upon at least 48 hours' public notice of the meeting, the Commission shall conduct a hearing on the complaint and shall allow both parties the opportunity to present testimony and evidence. The hearing may be closed to the public only if authorized by the Open Meetings Act.
5. Within 30 days after the date the hearing or any recessed hearing is concluded, the Commission shall either (i) dismiss the complaint or (ii) issue a recommendation for discipline to the alleged violator and to the Library Board President, or impose a fine upon the violator, or both. The particular findings in the case, any recommendation for discipline and any fine imposed shall be a matter of public information.
6. If the hearing was closed to the public, the respondent may file a written demand for a public hearing on the complaint within seven (7) business days after the issuance of the recommendation for discipline or imposition of a fine, or both. The filing of the demand shall stay the enforcement of the recommendation or fine. Within 14 days after receiving the demand, the Commission shall conduct a public hearing on the complaint upon at least 48 hours' public notice of the hearing and allow both parties the opportunity to present testimony and evidence. Within seven (7) days thereafter, the Commission shall publicly issue a final recommendation to the alleged violator and to the Library Board President or impose a fine upon the violator, or both.

7. If a complaint is filed during the 60 days preceding the date of any election at which the respondent is a candidate, the Commission shall render its decision as required under subsection (e) within seven (7) days after the complaint is filed and during the seven (7) days preceding that election, the Commission shall render such decision before the date of that election, if possible.
8. The Commission may fine any person who intentionally violates any provision of Article ten (10) of this Ordinance in an amount of not less than \$1,001 and not more than \$5,000. The Commission may fine any person who knowingly files a frivolous complaint alleging a violation of this Ordinance in an amount of not less than \$1,001 and not more than \$5,000. The Commission may recommend any appropriate discipline up to and including discharge.
9. A complaint alleging the violation of this Act must be filed within one year after the alleged violation.

#### **ARTICLE 25 - PENALTIES**

##### Section 25-1. Penalties.

1. A person who intentionally violates any provision of Article 5 of this Ordinance may be punished by a term of incarceration in a penal institution other than a penitentiary for a period of not more than 364 days and may be fined in an amount not to exceed \$2,500.
2. A person who intentionally violates any provision of Article 10 of this Ordinance is subject to a fine in an amount of not less than \$1,001 and not more than \$5,000.
3. Any person who intentionally makes a false report alleging a violation of any provision of this Ordinance to the local enforcement authorities, the State's Attorney or any other law enforcement official may be punished by a term of incarceration in a penal institution other than a penitentiary for a period of not more than 364 days and may be fined in an amount not to exceed \$2,500.
4. A violation of Article 5 of this Ordinance shall be prosecuted as a criminal offense by an attorney for the Plainfield Public Library District by filing in the circuit court an information or sworn complaint, charging such offense. The prosecution shall be under and conform to the rules of criminal procedure. Conviction shall require the establishment of the guilt of the defendant beyond a reasonable doubt.

A violation of Article 10 of this Ordinance may be prosecuted as a quasi-criminal offense by an attorney for the Plainfield Public Library District, or, if an Ethics Commission has been created, by the Commission through the designated administrative procedure.

5. In addition to any other penalty that may be applicable, whether criminal or civil, an officer or employee who intentionally violates any provision of Article 5 or Article 10 of this Ordinance is subject to discipline or discharge.

SECTION 2: This Ordinance shall be in effect upon its passage, approval as provided by law.