

Exhibit A

LakeComm Resolution 2024-010

RESOLUTION ADOPTING THE LAKECOMM PROCUREMENT POLICY.

LakeComm

Lake Consolidated Emergency Communications
www.lakecomm911.org

Procurement Policy

1. Purpose and Intent

- 1.1. The intent of this policy is to establish guidelines and directions for the acquisition of goods and services. When used with good judgment, the policies allow LakeComm to obtain required supplies and services efficiently and economically.
- 1.2. The purpose of this policy is to obtain goods and services at the lowest possible price consistent with the quality needed, to exercise financial control over purchases, to clearly define authority for the purchasing function, to allow fair and equal opportunity among qualified suppliers, and to provide for accountability and transparency.

2. Scope

- 2.1. This policy applies to all employees of LakeComm and in-house non-employees purchasing items on behalf of LakeComm.

3. Authorities

- 3.1. LakeComm, a unit of local government as defined by the Illinois Intergovernmental Cooperation Act (5 ILCS 220), does not have statutory requirements for purchasing.

4. Policy

4.1. Authorization

- 4.1.1. Executive Director: The Executive Director is authorized by LakeComm's bylaws to make, in the ordinary course of business, all purchases of materials, supplies, and services necessary as provided for in the annual budgets; provided that for purchases of more than \$50,000, the Executive Director must first procure the approval of the Executive Committee (or Member Board of Directors) before making such purchases. Any unbudgeted purchase under \$50,000 must be brought to the Executive Committee for approval. Any unbudgeted purchase over \$50,000 must be brought to the Member Board of Directors for approval.
- 4.1.2. Department Head: Department Heads are authorized to approve budgeted purchases for products and services up to \$5,000, and all budgeted routine purchases less than \$50,000. Any non-routine purchase over \$5,000 must be approved, or authority delegated to the Department Head, by the Executive Director, prior to purchase. A review of the budget and a determination of funds availability are to be completed before any purchases are made.

4.1.3.Purchaser: Staff members must have pre-approval from their Department Head (up to Department Heads authorized levels) to purchase any items, regardless of method of payment.

4.2. Types of Purchases

4.2.1.Routine Purchase: Routine purchases are an exception to the Department Head authority level. The exemption is appropriate because there is no need to secure competitive pricing for every transaction or the opportunity to negotiate more favorable terms is unavailable. Routine purchases include: subscriptions, memberships, certification and renewal fees, accreditation fees, insurance premiums, utilities, postage, office and janitorial supplies, paper, salaries, routine expenses required for the operation of LakeComm (LEADs, Priority Dispatch, etc.), and approved contracts for services or equipment. These expenses shall be anticipated and provided for in the budget. To the greatest extent possible, Department Heads will obtain competitive pricing of routine purchases prior to any renewal of contracts, or as appropriate for each type of purchase, not to extend beyond every four (4) years.

4.2.2.Joint Purchase Agreements: LakeComm is authorized to obtain goods and services using the State of Illinois Joint Purchasing Program, applicable GSA schedules, and various government cooperative purchase programs. When available through such programs that use a formal bidding process, it is not necessary for employees to obtain quotes or to obtain competitive proposals for the goods or services which are sought. The purchaser shall be responsible, however, for ensuring that the goods or services are of a quality sufficient to meet LakeComm's needs and that the pricing is competitive.

4.2.3.Sole Source: Contracts that are available only from a single source are referred to as a "sole source" purchase. Sole source procurements may arise from the following circumstances:

- Equipment for which there is no comparable competitive product or is available only from one supplier.
- Public utility services from natural or regulated monopolies.
- A component or replacement part for which there is no commercially available substitute, and which can be obtained only from the manufacturer.
- An item for which compatibility is the overriding consideration, such as computer software and hardware.
- Contractual services based on agency familiarity or past experience.

These items shall not be subject to requirements for seeking competitive quotes. However, budgeted sole source purchases in excess of \$50,000 shall be presented to the Executive Committee prior to acquisition with a request to waive competitive quotes, approve the purchase, and enter into a formal contract. Negotiation should be used to complete the terms and conditions for this purchase.

4.2.4.Emergency Purchase: Emergency purchases are those which are necessary to avert hazards which threaten health or safety, to protect property from damage, or to avoid major disruption of LakeComm operations. If deemed essential, emergency purchases may be made by the Executive Director (or the Board Chair if the Executive Director is unavailable). However, if the purchase is of such significant magnitude as to have an impact on the integrity of the budget, the Executive Director,

with the approval of the Chairman of the Board, may make such a purchase without waiting for formal approval of the specific purchase by the Board of Directors as a whole. Emergency purchases over \$50,000 require after-the-fact Executive Committee notification and Member Board of Directors approval and ratification.

4.3. Procurement Options

4.3.1. Competitive Pricing: Whenever possible, LakeComm will use competitive pricing for all purchases unless the specific item or service is only available from a sole source or is directly related to a system or process that has already been selected from a recent competitive process. Competitive pricing will be defined as a minimum of two (2) quotes for any purchase under \$5,000. For all purchases between \$5,000 and \$50,000, three (3) quotes will be required. Proof of attempted quotes (vendor declined to quote the item/service) may be provided in cases where limited vendors are available to meet the quote requirement.

4.3.2. Formal Bid: For purchases in excess of \$50,000 or when otherwise directed by the Member Board of Directors, Executive Committee, or Executive Director, LakeComm shall follow a formal bid process. This formal bid process shall comply with municipal bidding requirements. These requirements include:

- Notice inviting competitive bids in a local newspaper or on-line posting.
- Post notice of the bid at LakeComm's facility and on www.lakecomm911.org.
- Notices and bid announcements shall include the following:
 - General description of the work to be performed or item to be purchased.
 - Any required or preferred specifications.
 - Date and time bids are required to be submitted.

4.3.2.1. The Executive Committee shall have the authority to award the bid if a budgeted item is greater than \$50,000 and within 110% of the budgeted amount. This authority may be granted to the Executive Director at the discretion of the Executive Committee.

4.3.2.2. The bid shall be awarded to the lowest responsible bidder with the following considerations:

- The ability, capacity, and skill of the bidder to perform the contracted service or provide the product.
- Whether the bidder can perform the contract or provide the service promptly and without delay or interference.
- The character integrity, reputation, judgment, experience, and efficiency of the bidder.
- The quality of the performance of previous, contracts, products, or services.
- The quality, availability, and adaptability of the supplies or contractual services to the particular use required.
- The ability of the bidder to provide future maintenance and service for the use of the subject of the contract.
- The number and scope of conditions attached to the bid.
- The Executive Committee shall have the authority to reject all competitive bids or parts of those bids when the public interest will be best served.

4.3.3. Bid Exceptions: Bid procedures for purchases over \$50,000 may be waived for the following:

- All purchases or contracts for professional services (including but not limited to: legal, architectural, insurance, consulting, project management, and accounting).
- Sole Source with written documentation provided.
- Standardization is necessary or desirable (e.g. furniture modules, compatible computers).
- Emergency purchases by the Executive Director.
- An item previous awarded within the past twelve (12) months.
- Cooperative purchases from state or federal contracts or joint purchasing agreements.
- Purchases that have the bidding requirements waived by a 2/3 vote of the Member Board of Directors.

4.4. **Methods of Payment**

4.4.1. Purchase Order/Accounts Payable Check. Purchase orders will be generated for all goods and services purchased with the exception of routine purchases or if a LakeComm credit card is used. Non-routine purchases, not paid for by credit card, require a purchase order sent to the vendor. To obtain a purchase order, purchasers are to complete a purchase requisition form, attach all documentation (competitive pricing, bids, or contract), and obtain the proper signatures by their Department Head prior to submitting the request to the Finance Clerk. Once the purchase order is created in finance, the original and all documentation will be given back to the Department Head for their signature, date, and Executive Director's, or designee's, approval if over \$5,000. It is the responsibility of the Department Head to forward a copy of the purchase order to the vendor to procure the item and return the original purchase order and documentation back to the Finance Clerk. Once the item or service has been completed, the vendor is required to produce an invoice that will be matched with the original purchase order and receiving documentation (packing slip) and forwarded to the appropriate Department Head for approval to cut an accounts payable check to the vendor.

4.4.2. LakeComm Credit Card: The Executive Director, Deputy Director, Department Heads, and selected staff members may be issued a LakeComm business credit card in his or her name. The account limits are as follows:

Executive Director and Deputy Director \$20,000
Department Head \$5,000
Technician \$1,000
Other Staff - limit as need determines

Credit cards are to be used for on-line purchases, travel arrangements, training registrations, local retail purchases, and payment to vendors where using a credit card is the only option for payment.

The procurement guidelines of competitive pricing or informal bidding must be followed prior to paying with a credit card. Documentation for such a purchase

should include: the original receipt, a copy of the transaction detail, general ledger code to be charged listed, and submitted to a Department Head for approval with the monthly credit card statement.

Cash advances are not allowed.

4.4.3. Check Request: In the absence of an invoice or for pre-payment of services/deposit, a Department Head may request, in writing, a check be cut to a vendor. This request must include the vendor's name, address, amount to be paid, reason for the payment, and Executive Director, or designee's, approval if over \$5,000. Procurement guidelines of competitive pricing or bidding must still be used and documentation attached.

5. Appropriations

- 5.1. All purchases must be made within the appropriations of the fiscal year budget as previously authorized by the Member Board of Directors. If a purchase has to be made outside of the current fiscal year budget from cash reserves it will require the approval of the Member Board of Directors.
- 5.2. All goods purchased are exempt from sales tax and it is the responsibility of the purchaser to provide any needed tax exempt documentation to a vendor.

6. Severability

- 6.1. If any section or provision of this policy should be held invalid by operation of law, none of the remainder shall be affected.

AS APPROVED BY / DATE

Chair

ATTEST:
