

Village of Poplar Grove
Purchasing and Purchasing Card Policy
Adopted by the Board of Trustees on _____

I. Overview

The Village of Poplar Grove recognizes that the effective and timely procurement of goods and services is essential to operations. This policy establishes uniform procedures and accountability for purchases, whether conducted via direct payment, purchase order, or the Village's purchasing card (PCard) program. The Village reserves the right to amend this policy by approval of the Board of Trustees.

II. Purpose

This policy is intended to:

- Establish clear and consistent purchasing procedures.
 - Enable designated employees to obtain goods and services promptly.
 - Outline responsibilities and limitations for the use of Village purchasing cards.
 - Safeguard public funds through responsible purchasing practices and internal controls.
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III. Scope

This policy applies to all Village departments, employees, and elected officials involved in the procurement of goods or services on behalf of the Village, regardless of the payment method.

IV. Purchasing Terms

- Standard payment terms are "Net 30 Days."
- The billing address for all Village purchases is:

Village of Poplar Grove
200 N. Hill Street
Poplar Grove, IL 61065

- The Village is tax-exempt. Employees must present the Village's tax-exempt certificate to avoid sales tax charges.
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V. Authorized Purchasers

The following individuals are authorized to make purchases and use Village purchasing cards, subject to policy limits:

- Village President
- Village Clerk
- Department Heads (e.g., Public Works Supervisor, Finance/Treasurer)

No other employees may make purchases or use Village funds without written authorization from a Department Head or a majority of the Village Board.

VI. Spending Limits

- Authorized purchasers may spend up to **\$2,500 total** between regularly scheduled Board meetings without prior Board approval.
 - Purchases exceeding \$2,500 require pre-approval by at least **three (3) Trustees** and must be reported at the next Board meeting.
 - These limits apply to both direct payments and purchasing card transactions and may only be exceeded in emergencies.
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VII. Purchase Orders

Purchase Orders (POs) are required for all purchases, except:

- Recurring utilities (e.g., gas, electric, telephone)
- Payroll taxes and IMRF payments
- Health/life insurance premiums
- Approved travel reimbursements
- Loan/bond payments

POs must include:

- Purchase date

- Vendor name and address
- Ship-to information or pickup confirmation
- Quantity and description of goods/services
- Requesting employee's signature

POs and related invoices must be submitted to the Treasurer within **7 days** of purchase.

VIII. Reimbursements

- Out-of-pocket purchases require a completed PO and original itemized receipt.
 - Receipts must be free of visible credit card information (black out any card numbers).
 - Reimbursements are subject to review and approval by the Finance Department.
 - Refer to the Petty Cash Policy for small reimbursements.
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IX. Village Purchasing Card Program (PCard)

A. Purpose

The Village's PCard program simplifies purchases that:

- Cannot be made via open accounts or POs
- Are made during approved travel (e.g., lodging, fuel)
- Require online payment or do not offer net billing

B. Issuance and Use

- Cards are issued to approved personnel upon signing a Cardholder Agreement.
- Cards remain Village property and must only be used for authorized Village expenses.
- Cards must be kept secure and reported immediately if lost or stolen.

C. Authorized Uses

- Purchases within established cardholder limits
- Travel-related expenses for official business
- Vendor payments where POs are not practical

D. Prohibited Uses

- Personal expenses (even with reimbursement intent)
- Cash advances or gift cards
- Entertainment, alcohol, or tobacco
- Purchases requiring Board or bid approval
- Serial splitting of purchases to circumvent limits
- Use with vendors where the Village has open accounts (unless authorized)

E. Transaction Procedures

- Obtain and retain all original itemized receipts.
- Submit receipts with PO or AP batch within **5 days** of monthly statement receipt.
- Resolve any disputes or return requests directly with vendors.

F. Spending Limits

- Standard monthly limit: **\$2,500**, unless otherwise set by the Board.
- Limits may be increased upon written request and Board approval.

G. Lost or Stolen Cards

Report immediately to:

- **Finance Department** during business hours
 - _____ after hours
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X. Termination of Employment or Card Use

Upon separation from employment or reassignment:

- The cardholder must return their PCard to their Department Head.
 - The Department Head will notify Finance to cancel the card immediately.
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XI. Compliance and Enforcement

- Misuse of the purchasing system or PCard may result in disciplinary action, up to termination and legal action.

- The Finance Department and Village Board will periodically review purchasing activity for compliance.

Attachments:

- Tax Exempt Certificate (Available from the Clerk)
- Village PCard Cardholder Agreement

Let me know if you'd like a formatted Word or PDF version of this policy or if you'd like the Cardholder Agreement drafted.