

**Purpose:** It is the policy of the Board to ensure the efficient and consistent operation of the library through the accurate recording of the accounts and responsible fiscal planning and procedures.

**1. Responsibilities**

- 1.1. Brooks Library Board
  - 1.1.1. Financial management of the library.
  - 1.1.2. Discussion and approval of monthly financial statements, annual budget, and annual audited financial statements.
- 1.2. Standing Committees
  - 1.2.1. The Board will be equally divided between two Standing Committees: Board Development and Policy (BD & P), and Human Resources and Finance (HR&F). The Chairperson of each committee shall be appointed from within. The Board Chair participates in both committees but should not act as Chairperson of a committee. The Head Librarian shall be present for advice and counsel.
  - 1.2.2. Roles and responsibilities as outlined in the Human Resources and Finance Committee Mandate statement.
- 1.3. Head Librarian
  - 1.3.1. Responsible for the day-to-day financial management of the Library.
  - 1.3.2. Responsible for the initial drafting of the budget based on the current plan of service to be given to the HR & F Committee for discussion.
  - 1.3.3. Access available grants in support of library service to the community.
  - 1.3.4. Responsible for keeping a copy of the monthly backup of the financial data off library premises.

**2. Signing officers**

- 2.1. Signing officers will include any of the following: Board Chair, Vice-Chair, Treasurer, and Head Librarian. All cheques require two signatures.

**3. Fiscal year**

- 3.1. The fiscal year of the Board will be January 1st to December 31st.

**4. Banking/ Payroll Services**

- 4.1. The HR&F Committee will periodically review the banking/payroll services and make recommendations to the Board.

Approved by: \_\_\_\_\_  
Board Chair  
Date Approved: January 13, 2014  
Replaces Policy: 2-A-96

**5. Accounts**

5.1. General Operating Account:

- 5.1.1. This account is the general holding account for all
- 5.1.2. This account acts as the chequing account for the Library.
- 5.1.3. Grants and donations are held within the General Operating Account and tracked as separate line items unless otherwise designated.

5.2. Capital Asset Reserve:

- 5.2.1. The Capital Asset Reserve is held within the Library Savings Account and tracked separately.
- 5.2.2. This reserve is intended to fund capital projects as approved by the Board.
- 5.2.3. The Board may use this reserve to fund any operating deficit.
- 5.2.4. This reserve shall accumulate through operating surplus and interest earned.
- 5.2.5. This account shall be reviewed annually at minimum.

**6. Investment**

- 6.1. All library investments shall be placed in guaranteed investment programs, to ensure full protection of public monies.
- 6.2. Library operating monies may be moved into guaranteed investment certificates for short-term interest gain when appropriate.
- 6.3. The Library is committed to the growth of an Endowment Fund managed by the Community Foundation of Southeastern Alberta and will contribute to this fund when it is deemed possible as the Library's long term investment strategy.
- 6.4. Exceptions in investment strategy will be made at the discretion of the HR & F.

**7. Financial Statements -Receipts and Expenditures**

- 7.1. The Board will endeavor to maintain an operating balance in the general operating account equivalent to one month's budget to accommodate unforeseen expenses or funding delays.
- 7.2. Expenditures not outlined in the approved budget exceeding \$500 must be approved by the Board.
- 7.3. The Head Librarian will prepare monthly financial statements including current year budget and year-to-date expenses, current balance sheet, a monthly reconciliation report and monthly journal entries to be presented to the HR & F Committee.
- 7.4. The Head Librarian will report any financial anomalies to the HR&F Committee.

Approved by: \_\_\_\_\_

Board Chair

Date Approved: January 13, 2014

Replaces Policy: 2-A-96

7.5. Receipts and expenditures for each month will be presented for approval to the Board by the HR &F Committee Chair or Treasurer.

**8. Cash Float**

8.1. A float of \$75.00 will be placed in the till each day before opening.

**9. Reserves**

9.1. The Board may establish specified reserves. All reserves will be fully disclosed in the Board's annual audited financial statements.

**10. Budget**

- 10.1. Annual budget preparations will be done during the summer months of each year.
- 10.2. A draft of the annual budget will be presented to the Board in August of each year.
- 10.3. The annual budget may be revised by the HR&F Committee when necessary and submitted to the next Board meeting for approval.
- 10.4. The approved annual budget will be presented to the City of Brooks and the County of Newell.

**11. Audit**

- 11.1. The audit will be completed by a Board appointed auditor.
- 11.2. The financial statements will be presented for audit during the first quarter of the year following the year under audit.
- 11.3. The audited financial statements will be reviewed by the HR&F Committee and presented to the Board.
- 11.4. Copies of the audited financial statements will be sent to stakeholders i.e. the City of Brooks, County of Newell, County of Newell Library Board, and Public Library Services Branch of the Province of Alberta's Municipal Affairs Office. It will also be available to the public upon request.

Approved by: \_\_\_\_\_

Board Chair

Date Approved: January 13, 2014

Replaces Policy: 2-A-96