

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. City of 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.

1.1.3. Capital Purchase approval

1.2. Human Resources & Finance Committee

1.2.1. Preparation of the Annual Budget

1.2.2. Regular review of monthly financial standing

1.2.3. Prepare and review financial policies for approval by the Board.

1.3. Library Manager

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 are: Board Chair, Vice-Chair, Treasurer, and Library Manager. All cheques require two signatures. Cheques for any signator will not be signed by the payee.

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 24<sup>th</sup>, 2022

5. General Operating Account:

- 5.1.1. This account acts as the chequing account for the Library.
- 5.1.2. Grants and donations are held within the General Operating Account and tracked as separate line items unless otherwise designated.
- 5.1.3. The Capital Asset Reserve is held within the General Operating Account and tracked separately.
  - 5.1.3.1. This reserve is intended to fund capital projects as approved by the Board.
  - 5.1.3.2. The Board may use this reserve to fund any operating deficit.
  - 5.1.3.3. This reserve shall accumulate through operating surplus and interest earned.
- 5.1.4. This account shall be reviewed annually at minimum.

6. Purchases

- 6.1. All purchases are preauthorized by approved personnel
- 6.2. Consistent procedure is followed regarding the gathering of quotes.
- 6.3. The Library Manager may make purchase commitments up to \$1000 within the budget, without referral to the Board.
- 6.4. Any non-consumable item over \$1000 is a Capital Purchase.
- 6.5. The Library Manager and/or Board committee must seek out, to the Board's satisfaction, at least three quotes for approval of Capital Purchase.
- 6.6. Disposal of outdated capital purchases require HR&F Committee approval.

7. Investment

- 7.1. All library investments shall be placed in guaranteed investment programs, to ensure full protection of public monies.
- 7.2. Library operating monies may be moved into guaranteed investment certificates for short-term interest gain when appropriate.
- 7.3. Exceptions in investment strategy will be made at the discretion of the Board.

8. Financial Statements -Receipts and Expenditures

- 8.1. 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.
- 8.2. The Library Manager 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.

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

Board Chair

Date Approved: January 24<sup>th</sup>, 2022

- 8.3. The Library Manager will report any financial anomalies to the HR&F Committee.
- 8.4. Receipts and expenditures for each month will be presented for approval to the Board by the HR &F Committee Chair or Treasurer.

9. Cash On-Hand

- 9.1. A float of \$75.00 will be placed in the till each day before opening. A \$92.00 change-making float remains in a secure cash box.
- 9.2. Petty cash in the amount of \$500 is kept in the care of the Library Manager.

10. Reserves

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

11. Budget

- 11.1. Annual budget preparations will be undertaken by the Library Manager within two months prior to the draft budget presentation to the HR&F Committee.
- 11.2. A draft budget will be presented to the HR&F Committee for revision two months in advance of the City of Brooks' appointed deadline and forwarded to the Board for approval no later than one month in advance of the appointed deadline.
- 11.3. The annual budget may be revised by the HR&F Committee when necessary and submitted at the next Board meeting for approval.
- 11.4. The approved annual budget will be presented to the City of Brooks (and the County of Newell, as required) on or before the City of Brooks' appointed deadline.

12. Audit

- 12.1. The audit will be completed by a Board appointed auditor.
- 12.2. The financial statements will be submitted for audit by the end of February of the year following the year under audit.
- 12.3. The audited financial statements will be reviewed by the HR&F Committee and presented to the Board at its May Board Meeting or as soon as available.
- 12.4. Copies of the audited financial statements will be sent to the City of Brooks, County of Newell, 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 24<sup>th</sup>, 2022