

Finance Policy

TOPIC: Finance

PASSED:
AMENDED:
REVIEWED:
NEXT REVIEW:

1. PURPOSE

The City of Camrose Library Board (the Board) is accountable for the financial affairs of the Camrose Public Library (the Library). This policy outlines the effective financial management of the library to ensure compliance with legislation, fulfill its strategic direction and provide accurate and complete financial information for internal and external users.

2. AUTHORITY

- 2.1** The Library Director is responsible for the day-to-day financial management and administration of the Library.
- 2.2** The Board authorizes the Library Director to hire and supervise staff and independent consultants, pay bills, receive funds, and maintain bank accounts.
- 2.3** The Board delegates the Library Director as the procurement and disposal agent of the Library with authorization to acquire, expedite, and dispose of capital and operational goods, acquire services and call for bids.
- 2.4** The Library Director is authorized to administer funds according to the budget approved by the Board
- 2.5** The Library Director is authorized to manage expenses within the parameters of the overall approved operating budget, reporting variances to the Board.
- 2.6** Unbudgeted expenditures over \$2,000 require the approval of the Board by board motion.

3. SIGNING AUTHORITY & BANK ACCOUNTS

- 3.1** The Board will open accounts in the name of The City of Camrose Library Board in a chartered bank, trust company, or credit union approved by the Board.

- 3.2 The Board shall consider interest rates, loaning policies, financial products, and banking fees as it makes its decision on where to tender its accounts.
- 3.3 The signing officers will be the Board Chair, the Library Director, and additional signing officers may be appointed by the Library Board as required. They will be appointed by board motion.
- 3.4 Any two signing officers are required to approve payments through the bank, with at least one being a Board member. Signatories cannot sign off on funds being issued to themselves.

4. INVESTMENTS

- 4.1 Reserve Funds not required for short-term use may be invested. Funds will be invested in a way that minimizes exposure and risk, such as in a GIC, and will be redeemable as needed.
- 4.2 Interest earned on reserve funds will be allocated to the operating budget in the year it is earned and received unless directed otherwise by the Board by board motion.

5. CREDIT CARDS

- 5.1 Credit cards may be obtained, with a combined credit limit of \$20,000, for library-related purchases. Two signing officers are required to sign the credit card agreement from a financial institution approved by the Board.
- 5.2 The Library Director will be the credit card coordinator and ensure that each employee approved to have a credit card for the library signs an employee credit card agreement to be kept on file.
- 5.3 Credit cards will be stored securely when not in use.

6. FISCAL YEAR

- 6.1 The financial year of the Camrose Public Library shall be from January 1 to December 31.

7. BUDGET

- 7.1 Draft budget needs to be approved by the Board prior to submission to municipalities.
- 7.2 An operating budget will be prepared annually. The estimate of municipal funds required for the following year will be submitted to municipal council prior to December 1 of each year.

8. RESERVE FUNDS

- 8.1 The Camrose Library Board will assure fiscal viability through the establishment and maintenance of reserve funds as per the Reserves Policy.

9. PROCUREMENT

- 9.1 The Library abides by all applicable trade agreements in the procurement of goods and services, including in respect to construction.
- 9.2 Procurement of goods and services over \$10,000 will require a minimum of three quotes or proposals.
- 9.3 Procurement of goods and services will require a minimum of 3 quotes or proposals, except in which there is a sole provider of the service.
- 9.4 Procurement will prioritize local, regional, provincial, and Canadian suppliers, as much as possible, and within budgetary considerations.

10. REIMBURSEMENT OF EXPENSES

- 10.1 The Board will reimburse staff and board members for approved library expenses according to the Reimbursement of Expenses Policy.

11. PETTY CASH AND CASH REGISTER

- 11.1 The Camrose Public Library will maintain a petty cash fund of \$500 to be managed by the Executive Assistant or designate. The fund is to be used for making immediate payments when:
 - 11.1.1 It is impractical to issue a cheque in a small amount
 - 11.1.2 A patron, staff member, or board member requires immediate payment for small amounts
 - 11.1.3 Under no circumstances will the petty cash fund be used to cash cheques or for I.O.U'S, loans, or advances.
- 11.2 The cash register float of \$120 shall be kept and administered by the Executive Assistant or designate.

12. ACCOUNTING

- 12.1 The Board may outsource bookkeeping functions for the Library. An agreement with the provider of accounting services is required, stating the terms and conditions of the engagement.

13. AUDIT & FINANCIAL MONITORING

- 13.1 The Library Director shall provide regular financial reports to the Board. The Library Board monitors the finances to ensure the ongoing financial position of the library is consistent with the priorities approved by the Board.

13.2 The accounts of the Board shall be reviewed annually by an independent accounting firm within 90 days after the end of the fiscal year and submitted to the City Council annually on or before the date specified by the City Council.

13.3 The independent accounting firm will be appointed by the Board and approved by the City Council.

14. GIFTS, DONATIONS & SPONSORSHIPS

14.1 The Library accepts gifts and donations if they are in reasonable condition and the Library has a use for them. Monetary gifts will be accepted if the donation criteria are acceptable to the Board. The library will acknowledge and record all gifts and donations.

14.2 The Library reserves the right to reject or dispose of donations that do not or no longer meet the needs of the library.

14.3 Sponsorships are approved using criteria in the Naming Rights and Sponsorship Policy.

15. CHARITABLE TAX RECEIPTS

15.1 15.1 Monetary donations over \$20 are eligible for an official donation receipt for Income Tax purposes.