

TITLE: Financial Policy		
COMMITTEE: Internal	Passed: 04/01/2018	Review Period: Every 5 years
Topic: Finances	Amended: 05/15/2023	Date of Next Review: 05/15/2028

Financial Policy

The Town of Ponoka Library Board is responsible for the effective management of the Library Board’s financial resources. While day-to-day administration of finances will be delegated to the Library Manager, the Library Board will continuously monitor the financial status and ensure compliance with legislation.

- The fiscal year is January 1st to December 31st.
- **Banking Services:** The Library Board may review the banking services at any time. Any changes made in banking services shall require a motion passed by the Library Board.
- **Accountant/Bookkeeping Services:** The Library Board will hire any accounting and bookkeeping services needed by the Library, and may review these services at any time. Any changes made in accountant/bookkeeper services shall require a motion passed by the Library Board.
- **Library Budget:** The Library Manager and Library Board shall develop a long-term financial strategy that includes planning for capital replacement, financial emergencies, adequate insurance, technological sustainability, and the long-term stability of library services. The Library Board will consider the goals and objectives of the Library’s Plan of Service when making budget recommendations.
 - The annual budget shall be prepared by the Library Manager and Library Board Treasurer.
 - The draft budget will be presented to the Library Board at the September board meeting for discussion.
 - A copy of the draft budget and request for funds will be sent to the Town of Ponoka and Ponoka County councils on a schedule that aligns with their respective budget deliberation timelines (as per the Libraries Act).
 - The Library budget shall be approved no later than the December board meeting.
- **Operating and Capital Reserves:** The Library Manager shall keep sufficient operating funds in the Library chequing account for monthly library operations. All other reserve funds shall be placed in term deposits at the optimal rate of return. Interest on the reserve funds shall be included in the general revenue stream.
- **Signing Officers:** The Library Manager, Library Board Chair, and Library Board Treasurer will be the signing officers. Two signatures are required on all financial expenditures.

- Tax Receipts: An official tax receipt can be issued from Ponoka Jubilee Library if requested with a minimum \$20.00 cash donation.
- Invoices: All invoices shall require the approval of the Library Manager.
- Cash register: A float of \$50.00 will be maintained in the cash register and stored in the locked cash drawer when the Library is closed. Deposits from the cash register will be made on a monthly basis
- Credit Card: The board may obtain a credit card for library-related purchases. Signing officers of the board and the library manager may use the board's credit card as required to make purchases consistent with this policy. Only the board signing officers and the library manager are authorized to use the board's credit card. Signing officers and the library manager may not share card access information with other library staff. The credit card is stored securely when not in use.
- Year End Financial Review: Financial records must be independently reviewed each fiscal year. Financial records are prepared by the bookkeeper for review by the accountant as soon as reasonably possible after year end. The reviewed Financial Statement is received and approved by the Library Board.
- Security of Financial Records: Records shall be kept at the Library, filed by year, for 7 years.
- Capital purchases: Whenever possible the purchase or lease of capital assets is provided for in the annual budget. Assets needing to be purchased or leased that are not in the budget must be approved by the Library Board, upon recommendation by the Library Manager.
- Materials Sourcing: The Library Manager has the authority to decide on sourcing of library materials and to negotiate terms with vendors. Expenditures over \$500.00 not outlined in the budget must be approved by the Library Board.
- Use of Equipment: The Library shall endeavor to recoup at least some of the costs of equipment such as the photocopier/fax machine/network printer and laminator. Schedule of charges will be developed by the Library Manager and set by the Board of Directors (Schedule D, Town of Ponoka Library Board Bylaws).
- Grant Applications: The Library Manager, with the assistance of the Library Board if needed, is authorized to apply for grants the Library is eligible to receive. The Library Manager may sign the grant applications on behalf of the Library Board. The Library Board is ultimately responsible for any obligations stemming from receiving grant funding.
- Reimbursement: The Board will reimburse staff and board members for library expenses incurred using a personal method of payment that are related to:
 - Professional development, including courses, workshops, and conferences
 - Attending meetings on behalf of the library board
 - Materials purchased for the library

- Other library-related activities approved in advance

Expenses that may be claimed include:

- Travel-related expenses, including mileage for work-related travel in the claimant's personal vehicle. Mileage shall be paid at the current rate set by the Canada Revenue Agency for use of a private vehicle. Gasoline for the claimant's personal vehicle is not eligible for reimbursement.
 - Fares for other methods of transportation (e.g. bus fare, taxi fare)
 - Vehicle rental charges, including fuel charges
 - Parking charges
 - Hotel charges
 - Restaurant meal charges. Unlike other expenses, meals are reimbursed at a set rate and do not require receipts. These rates are: Breakfast (\$10.00), Lunch (\$15.00), Supper (\$25.00).
 - Registration, tuition, and other similar charges incurred while attending approved library-related professional development.
 - Charges for collection items and other materials purchased for the library.
 - Other library expenses not listed above that are approved in advance.
- Reimbursement shall require original receipts and a completed Expense Claim Form submitted to the appropriate authority. All board member reimbursements are approved by Board motion.

References:

Town of Ponoka Library Board Bylaws

CRA Automobile Allowance Rates