

## AD: FIN - Finance Policy

Originated: Sep. 14, 2007  
Review: Sep. 2020  
Revised: Nov. 2021  
Approved: Nov. 15, 2021

### **POLICY:**

The Board shall adopt regulations to ensure that the finances of the Lac La Biche County Library Board are managed in an efficient and accurate manner and in accordance with general accepted accounting principles and to provide a sound basis of long-term financial management of the affairs of the libraries, and conserve the assets of the library for the future.

### **Finance and Policy Guidelines**

#### **Audit**

The auditor for the Lac La Biche County Library Board shall be appointed annually by the Lac La Biche County Library Board and approved by Lac La Biche County.

Library financial records for the Lac La Biche County Library Board will be prepared by Lac La Biche County Library Board for the auditor. A copy of the audited financial statement shall be forwarded to the Board for approval, to each funding jurisdiction including Municipal Affairs – Public Library Services Branch.

#### **Budget**

The Treasurer, the Chair, the finance committee members, and the Library Director will prepare the draft budget, which will be presented to the Library Board in September of each year.

#### **Charitable Donations**

The Library Director will be responsible for the maintenance of the list of donations. The Administrative Assistant will prepare the receipts for the signature of the Treasurer or Board Chair. The Treasurer **with the assistance of the Library Director and Administrative Assistant** shall prepare the report form for Revenue Canada and ensure that it is submitted before April 30<sup>th</sup> of the following year. For more information see AD: Fun - Fund Development and Donation Policy.

#### **Traveling and Other Expenses**

Trustees or staff delegated to attend conferences, authorized meetings or approved travel shall be paid in accordance with budget provisions, set by the board.

Breakfast	\$ 12.00
Lunch	\$ 20.00
Dinner	\$ 30.00
Per Diem	\$ 20.00 (24 hours of travel status)
Private Accommodation	\$ 20.00
Mileage	\$ 0.50/km

If meal expenses exceed the allowed listed above, Lac La Biche County Libraries will only reimburse the approved amount. Alcoholic beverages will not be paid for.



Spouse's registration fees, banquet tickets, meal allowances and travel expenses will **not** be paid.

Reimbursement claims should be submitted for processing within 30 days.

### **Financial Records**

Primary financial records (bookkeeping) of Lac La Biche County Library Board shall be maintained by Lac La Biche County Library Board in accordance with the Board's record retention guideline AD- REC.

All other financial information for both locations will be maintained on the premises of the Stuart MacPherson Public Library.

### **Financial Statements**

The Treasurer is responsible for the overall supervision of the budget.

Monthly financial statements shall be prepared by the staff of the Lac La Biche County Library Board, outlining the current year budget, year to date expenses, budget variances and percentage expended.

### **Fiscal Year**

The fiscal year of the Lac La Biche County Library Board shall be January 1 to December 31, inclusive.

### **Grants**

The Treasurer and the Library Director shall be responsible for ensuring that grant forms are prepared and the accuracy of the reporting forms.

### **Online banking**

The Library Director is authorized to set up electronic funds transfer authority for the Administrative Assistant and the Director, and read-only access for the Treasurer and Board Chair. The setup of this access or any adjustments to it due to changes in names of individuals shall have prior approval by the Treasurer and Board Chair.

When payroll online payments are to be made, there shall be a source document with prior approval by a bank signing authority. A listing of all electronic transactions shall be provided with the bank reconciliation monthly to be reviewed by the Treasurer along with the source documents for such transfers.

## Purchasing Card

To facilitate internet purchasing, travel expenses and international subscription payments and in order to save the cost of money orders the library will have one credit card. This card will be in the name of the Library Director for the purposes of travel, in person purchasing, booking hotel rooms or other reservation requirements, and online/internet purchasing of subscriptions, equipment, and other services. The card holder will be required to sign the "Purchasing Card Agreement" as identified in Appendix A of this policy, acknowledging the conditions under which the card has been granted and may be used.

At the end of each month each card will be reconciled by the Purchasing Card Holder (see attached information "Purchasing Card Reconciliation" as identified in Appendix B of this policy). The reconciliation of the cards will be approved by a bank signing authority within two weeks of receiving the card statement.

Proof of reconciliation and authorization shall be provided along with the monthly bank reconciliation for review by the Treasurer.

## Vouchers

Vouchers will be prepared by the library staff; either the Treasurer or the Chair will approve the voucher. Once the cheques are issued; the Library Staff are responsible to ensure that they are accurate and mail them to the vendor.

## Investments

### Surplus Operating Cash

At times the Library Board may accumulate surplus operating cash that is not required for short term (less than 1 year) operations. The Finance Committee will review cash projections on a monthly basis and recommend to the Library Board when surplus cash will be moved to a high interest savings or other investment vehicle with guaranteed principle protection.

### Capital Campaign or planned savings

At times the Library Board may deem in its budget to create savings for a particular future purchase. This may be the result of revenue generated outside the operating grants from Lac La Biche County and Alberta Municipal Affairs and also funds generated by fundraising activities. The investment of such funds shall be matched with the intended investment period and will be placed into the highest interest-bearing instrument with guaranteed principle protection. When determining the savings required, the Library Board shall determine whether the interest on the investment is to be restricted for the intended savings purpose or whether interest income is available for Library operations.

## Financial Accountability

The Library Board will adhere to the Annual Accountability Cycle as outlined in Appendix C of this policy. This is required to ensure efficient administrative operation and to meet requirements as established by funders and the Canada Revenue Agency. ♦