



## **Finance Policy**

### **AUDITS**

The Three Rivers Public Library District bookkeeping system is audited annually. The annual audit is prepared and submitted to the Clerk of Will, Grundy and Kendall Counties and the Office of the Comptroller on or before the deadline. The auditor presents the report to the Board of Trustees and is available for any questions. The auditor follows the requirements of GASB 34 while performing the annual audit and preparing the report.

### **BUDGET**

The Three Rivers Public Library District has a written budget that is approved by the Board of Trustees. This budget is prepared and submitted annually by the Director, with input from additional staff members with responsibility for budgetary elements. The Board of Trustees reviews the proposed budget 30 days prior to adoption.

Three Rivers Public Library District maintains adequate records of operation in a manner easily understood by the public as well as the Director and Board of Trustees.

The Finance Report is prepared and reconciled to bank statements each month. The Director is responsible for budget implementation on a daily basis. A current budget report which clearly reflects the financial position of the library is presented to the Board of Trustees monthly. The Director immediately notifies the Board President and Chair of the Finance Committee of any discrepancies in the monthly budget report.

### **AUTHORITY TO SPEND**

The Director has discretionary authority to spend up to \$500 for any item which is unanticipated and/or unbudgeted, as long as the funds have been appropriated. In this case the Director takes appropriate action when confident of Board support and approval.

The Director may spend in excess of \$20,000 only after completing the formal bid process.

### **CONTRACTS**

Bids or written proposals are required every three years for contracts over \$1000. Bid/proposal specifications are prepared and a Request for Proposal (RFP) or a notice to bid is published. Bids and proposals are presented to the Board of Trustees for review and approval.

The Director signs all contracts. Contracts over \$1000 may not be signed prior to obtaining Board approval. The Library District attorney reviews contracts at the discretion of the Board. Contracts under \$1000 are awarded at the discretion of the Director. These contracts are reviewed annually for cost comparison before renewal.

## CREDIT CARDS

Three Rivers Public Library District approves the use of the following credit cards:

1. Corporate credit card, in the name of the Director and authorized staff, is used for Library District business only. The card is not used for cash advances or ATM.
2. Credit cards for *Dell Business*, *Menards*, and *Amazon* are used by authorized personnel to purchase necessary Library District supplies.

All credit card purchases must be documented with itemized receipts.

## PETTY CASH

The Board authorizes a petty cash fund of \$1,000.00. Checks written on the petty cash account only need one signature. The only authorized signatures are the Director and Assistant Director. This checking account is intended for amounts under \$200. (The only exception to that amount is for mailing out the library newsletter.)

The Director is responsible for advance authorization of petty cash disbursements in Channahon. The Director or Assistant Director is responsible for advance authorization of petty cash disbursements in Minooka. An itemized receipt is necessary for petty cash disbursement. Petty cash fund reimbursement checks are written to petty cash. Any irregularities in the petty cash fund are immediately reported in writing to the Director and Board President. Loans are not made from petty cash funds. The Director conducts unscheduled audits of petty cash funds. At all times the petty cash box contains receipts and cash totaling the fund amount.

## RECEIPTS AND DISBURSEMENTS

The Library Director, Assistant Director and Administrative Assistant are authorized to make deposits into appropriate Library District accounts. Deposits in banks and savings and loan institutions exceeding the amount insured by FDIC or FSLIC coverage must be secured by collateral.

All Library District disbursements are made by means of checks or electronic debits drawn upon authorized accounts. The Director reviews and approves all library district invoices and payroll. Two signatures are required on each check, except those written on the petty cash account. One signature must be a Board member. All trustees and the Director are authorized to sign checks. The Director is not authorized to sign payroll checks. All disbursements are made with Board approval unless stipulated otherwise. No disbursement is made without proper documentation to support the release of funds. Checks are written monthly and bills are paid within 45 days of receipt.

The Board Treasurer is bonded.

## TRAVEL AND MEETING EXPENSES

1. Staff and Board member attendance at workshops, library association conferences and other professional meeting which cost under \$300 is encouraged and may be approved at the Director's discretion. All out-of-state conference travel or travel with expenses totaling over \$300 is approved by the Board of Trustees at least one month prior to travel.
2. Within its budget limitations, the Library District provides assistance towards such expenses as registration, travel, and meals. Reasonable expenses are reimbursed upon presentation of receipts or bills. Reimbursement is not approved for anyone other than staff and Board members. Each person is expected to provide documentation for his or her own expenses,

unless included in the Library Director's expense documentation. Conference or workshop registration is paid in advance by TRPLD.

3. Airfare is reimbursed no earlier than three months prior to travel. Travel expenses are reimbursed at the lowest rate available.
4. Individuals traveling to conferences present a written report to the Board.
5. At the discretion of the Director, a cash advance of up to \$300 may be given before a conference. This advance must be accounted for upon the employee's return. Any money left over from the advance is returned to the Library District.
6. Any expenditure not properly documented is not reimbursed. Library District expense forms are used. All requests for reimbursement are submitted to the Director within 30 days after the event. Any request submitted after 30 days is not approved.
7. Appropriate telephone bills are reimbursed by the Library District, at the discretion of the Director.
8. Examples of proper documentation are:
  - Itemized bills and receipts issued in exchange of goods and services received
  - Photocopies of airline, bus, and train tickets.
  - Itemized phone bills
9. Examples of allowable expenses are:
  - Hire of room, exhibition space, set-up, and such for official business
  - Parking fees and tolls
  - Mileage while on approved travel
  - Storage and handling of baggage
  - Taxis, shuttle, or limousine service including tips
  - Business telephone and postage
  - Authorized lodging
  - Registration fee
  - Meals and tips on approved travel
  - Business lunches with colleagues when attending a meeting
10. Three Rivers Public Library District will not reimburse for the following travel expenses:
  - Personal telephone and postage
  - Unauthorized, declined or forfeited travel
  - Entertainment
  - Coat check
  - Alcoholic beverages
  - Late checkout and room guarantee charges
  - Purchases of a personal nature
  - Losses of property, money or transportation tickets
  - Traffic and parking fines
  - Meals while en route from the Library District to a library/meeting or from one library to another

OUTSIDE FUNDS HELD BY THREE RIVERS PUBLIC LIBRARY DISTRICT:

No funds of other library groups or entities are held by the Library District without prior approval of the Board following a detailed written agreement.

Adopted 08/12/09

Amended 01/10/10, 10/8/14, 6/22/16, 03/13/19

Reviewed 04/14/21