

SECTION 7: Finance
Bylaw: Finance

The Sheep River Library Board shall assume meticulous responsibility for the fiduciary management of funds while upholding all financial agreements and reporting requirements to federal, provincial and municipal funders as well as to the Marigold Library System and any additional benefactors while retaining our charitable status.

The Library Board shall provide and abide by an annual financial plan to determine how the financial resources of the Library will be used to achieve the Library's Vision, Mission and Goals in the most effective and efficient manner.

Purpose:

To establish a clear financial accountability framework for the Library, enabling the Library Board, Chair, Treasurer, Library Manager, Bookkeeper, Financial Auditor, Funds Development Chair and staff to understand their responsibilities and accountability related to the financial management of the Library.

SECTION 7: A
Policy:

Finance
Library Board Responsibilities

The Sheep River Library Board shall vote on and approve:

- positions of Treasurer and Funds Development Chair
- changes and additions to the financial policies and procedures
- the yearly operational budget and any changes that are made to it during the fiscal year
- hiring of any new finance personnel including the Library Manager, Bookkeeper, Financial Auditor and Payroll Services Associates
- any changes to prices on services provided by the Library that affect Library revenue including but not limited to:
 - borrower card fees
 - fines
 - photocopying, printing, disc repair and faxing services
 - room and equipment rentals
 - program materials and supplies
- any expenditures over \$1,000.00 not in the operational budget regardless of where the funding was obtained
- contracts that are not arm's length from the Library Board

Approved: 2006

Revised: March 14, 2013

SECTION 7: B
Policy:

Finance
Signing Authority

The Board Chair, Treasurer and Library Manager shall maintain signing authority for Library accounts at the chosen financial institution. Any cheques to be signed require two of the three signatures. The Treasurer shall be named administrator and provides the proper online account setup to those deemed appropriate (bookkeeper, Library Manager, Financial Auditor and Board Chair).

Any change in signing authority must be accompanied by a motion of the Library Board before going to the financial institution with the approved minutes. Minutes must be signed by both the Treasurer and the Board Chair.

Approved: 2006

Revised: March 14, 2013

SECTION 7: C
Policy:

Finance
Insurance

- i. The Library Board shall maintain insurance on the contents of the Library, Comprehensive Liability Insurance, Workers Compensation and Employee Benefits Insurance. It is the responsibility of the Treasurer to ensure that each of the following Insurance Policies are in place and that the Library has proper coverage.
- ii. Content Insurance is secured as an “Additional Named Insured” through the Town of Black Diamond’s Jubilee Insurance. It is the responsibility of the Treasurer with the Library Manager to provide an up-to-date list of contents, not including Marigold books, on an annual basis.
- iii. Comprehensive Liability Insurance is secured as an “Additional Named Insured” through the Town of Black Diamond’s Jubilee Insurance.
- iv. The Town of Turner Valley, as the owner of the building, is responsible for insuring the building as well as all fixed amenities within the building. Property outside the building is also insured by the Town.
- v. The Sheep River Library provides Workers Compensation to employees and to volunteers in accordance with the Workers Compensation Act. The Library Manager is responsible for ensuring that appropriate forms for WCB are filled out in a timely manner in the event of a work-related incident. Number of volunteer hours are maintained and submitted by the Library Manager.
- vi. Health benefits are provided to the full-time Library Manager as part of the salary package. These benefits are currently obtained through the Town of Turner Valley’s employee program. The Library Manager has the option of paying for any benefits over the amount that is included with the benefits package that is paid for by the Library. The Sheep River Library has agreed that The Town of Turner Valley is not responsible to pay out for long-term disability should the need arise.

Approved: 2006

Revised: March 14, 2013

SECTION 7: D
Policy:

Finance
Treasurer

- i. It is the responsibility of the Treasurer, with the help of the Library Manger, to ensure all federal, provincial, and municipal reporting is completed in a timely matter each year.

This includes but is not limited to:

- annual Registered Charity Information Return (T3010)
- yearly GST Filing
- annual Financial Review
- annual Marigold Submission
- yearly Annual Budget

- ii. Additional responsibilities of the Treasurer include:

- fully understand and explain to the Library Board all revenue and expenses generated by the Sheep River Library
- ensure all policies and proper procedures are being met on a daily, monthly and yearly basis
- ensure all financial recording is being done correctly and meets the Generally Accepted Accounting Principles (GAAP)
- ensure the completion and submission of the annual budget
- work with the Funds Development Chair to secure any grants and to provide financial accounting as needed
- work with the Friends of the Sheep River Library Foundation to secure grants and reconcile use of the funds
- provide assistance in hiring all employees dealing with the financial aspects of the Library including but not limited to the Library Manager, Bookkeeper and Financial Auditor.

It may be deemed necessary to form a Finance Committee to undertake the development of financial policies, review and creation of the annual budget and to make recommendations on other financial business. The Committee shall consist of the Treasurer, Library Manager, and two other Trustees to be appointed by the Library Board.

Approved: 2006

Revised: March 14, 2013

SECTION 7: E
Policy:

Finance
Library Manager

The financial responsibilities of the Library Manager include but are not limited to:

- i. Financial records management:
 - all revenues and expenses are correctly coded
 - all outstanding liabilities are paid in a timely fashion
 - all revenues are deposited into the bank in a timely fashion
 - all of the grant money and donations are properly allocated in the accounting software
 - all donations are recorded and tax receipts issued and a copy of the tax receipt kept on file

- ii. Spending responsibilities within the following parameters:
 - follow the approved operational budget
 - receive Library Board approval on expenditures over \$1,000.00 not included in the operational budget
 - use of the Library credit card for spending up the \$5,000.00; receipts must be provided for every transaction
 - reimbursement of expenses to staff and volunteers who have paid with their own money and have submitted an Expense Reimbursement Form along with the accompanying receipts
 - a float of \$100.00 will be maintained for customer cash transactions.

- iii. Daily cash-out and end of the month cash-out shall be the responsibility of the Library Manager. Small cash purchases are to be accompanied by a dated and initialed receipt. It is the Library Manager's responsibility to ensure that the cash is locked up each night and that deposits are made on a weekly basis. It is the Treasurer's responsibility to ensure that this is taking place.

- iv. Additional financial management duties of the Library Manager include:
 - assist with the review and creation of the yearly budget, and all yearly reporting requirements.
 - provide required statistics to indicate the use of services to assist in yearly reporting
 - collection, review and safekeeping of all staff and volunteer hours
 - input of payroll information to payroll services associate

- assist the Treasurer and Funds Development Chair with required financial information and requests
- notify Funds Development Chair on a weekly basis when donations are received

Approved: 2006

Revised: March 14, 2013

**SECTION 7: F
Procedure:**

**Finance
Bookkeeper**

- i. A qualified bookkeeper shall be hired on a contract basis to ensure that the financial records are kept up-to-date in the accounting software provided by the Library. All required information is to be given to the bookkeeper via the Library Manager. It is the responsibility of the Treasurer to oversee this process and provide assistance when required.
- ii. All financial recording shall meet the Generally Accepted Accounting Principles (GAAP).
- iii. Monthly financial statements in accordance with an established format will be provided to the Library Manager and Treasurer each month before the Board meeting.
- iv. The Sheep River Library capitalizes assets with a useful life of more than one year and value of \$1,000.00 or greater.
- v. All paper copies of invoices shall be returned to the Library premises to be kept there on a permanent basis. An up-to-date copy of the accounting software is to be kept on the accounting desktop computer at the library and a secured copy is to be kept offsite with the bookkeeper.
- vi. It is the responsibility of the bookkeeper to make any changes at the end of the year recommended by the financial auditor.
- vii. Throughout the fiscal year, surplus funds shall be transferred into interest-bearing accounts such as GIC's that have a high degree of liquidity and a high degree of security to minimize risk. It is the responsibility of the bookkeeper while paying the bills to ensure enough money has been moved from that account into the checking account to cover expenditures. It is the responsibility of the Library Manager to keep the bookkeeper up-to-date on any large expenses that may require transferring of funds.

Approved: 2006

Revised: March 14, 2013

SECTION 7: G
Policy:

Finance
Payroll

The employees of the Sheep River Library shall be paid on a monthly basis. Payroll services will be contracted to complete payroll including source deductions and remittances, T4's and Records of Employment. Employees are paid by direct deposit on the 30th of each month. It is the responsibility of the Library Manager and/or the Treasurer to enter the monthly payroll numbers into the payroll services website in a timely manner as specified by the payroll service provider.

A change in payroll service providers will require a motion and vote by the Library Board.

Approved: 2006

Revised: March 14, 2013

SECTION 7: H
Policy:

Finance
Financial Auditor

An annual financial review is required. The person contracted to do this review must first formally be approved by the Sheep River Library Board, Towns of Turner Valley and Black Diamond Councils and their name must be submitted to Alberta Municipal Affairs, Public Library Services Branch.

Once the Sheep River Library Board has accepted the written Financial Report it must be submitted to both town councils and the Province (T3010). It is the responsibility of the Treasurer to ensure this is completed each year.

It is the responsibility of the Financial Auditor to:

- complete the review and provide a written financial report
- complete and submit the Annual Charity Information Return (T3010)
- file the yearly GST return

Approved: 2006

Revised: March 14, 2013

SECTION 7: I
Policy:

Finance
Funds Development Chair

It is the responsibility of the Funds Development Chair of the Sheep River Library Board to generate additional funds.

Financial duties of the Funds Development Chair include:

- design and implement an annual fundraising and grant plan that is approved by the Library Board
- timely and accurately apply for potential grants and special funding
- complete and submit budgets for all projects
- provide clear and accurate financial accounting on the completion of the grant or special funding
- ongoing coordination with the Treasurer and Library Manager
- form a Funds Development committee

Approved: March 14, 2013

Revised: April 15, 2014

SECTION 7: J
Procedure:

Finance
Budget

An annual operating budget of anticipated revenue and expenses must be prepared and presented at the September Library Board meeting for review and approval. It is the responsibility of the Treasurer and Library Manager to prepare this budget in coordination with the Board Chair, Funds Development Chair and Bookkeeper.

- i. The Library's goals and objectives shall be regularly evaluated to determine the upcoming year's strategies.
- ii. Statistics indicating the use of services will assist in deciding where to allocate additional funds and where to cut back.
- iii. The budget must be approved by the Library Board before it is presented to the Town Councils.
- iv. It shall be submitted to the Town of Turner Valley and the Town of Black Diamond Councils for consideration and approval.
- v. Support materials shall include:
 - the comparison of the proposed budget and current year's actual and budgeted amounts
 - a written explanation of any significant increases, decreases, new programs, and new budget items
 - a copy of the last audited financial statement and annual report for the Library
 - any policy and planning documents that the Library may have developed, outlining long-term and immediate goals and objectives for the development of the Library
 - charts, graphs or illustrations that show the performance of the Library
- vi. The Councils may request a presentation. The Board Chair or Treasurer and the Library Manager shall give this presentation.
- vii. It is the responsibility of the Treasurer to ensure that the spending that takes place over the year is within the operating budget.
- viii. A monthly review shall be done and presented to the Library Board to ensure the Library remains financially sound and the finances are being put to the best use.

Approved: 2006
Revised: March 14, 2013

SECTION 7: K
Policy:

Finance
Base Funding

The Sheep River Library receives base funding from:

- i. Marigold Services Grant which is based on a per capita formula.
- ii. Provincial Grant from Municipal Affairs based on a per capita formula.
- iii. Requisitions from the Town of Black Diamond and The Town of Turner Valley based on budget requirements and population statistics.

Approved: 2006

Reviewed: March 14, 2013

SECTION 7: L
Policy:

Finance
Library Generated Revenue

The Sheep River Library shall charge for certain services in the Library as another source of revenue.

The Public Library Act defines which materials and services must be offered free of charge.

The Sheep River Library has charges and levies including:

- borrower card fees
- fines for late returns on materials
- photocopying
- faxing
- printing
- rental of meeting rooms and equipment
- sale of used books
- reimbursement for lost or damaged materials
- program material fees
- disc cleaning service

A change in any pricing requires Library Board approval.

Approved: 2006

Revised: March 14, 2013

SECTION 7: M
Procedure:

Finance
Friends of the Sheep River Library Foundation

The Mandate of the Friends of the Sheep River Library Foundation (the Friends) is to raise funds on behalf of the Sheep River Library.

- i. The Friends are a separate entity from the Sheep River Library Board and have their own Charity Number, Board, and Financial Accounting Management System.
- ii. The Friends access funds that are not available to the Library directly through grants, fundraising and donations.
- iii. It is the responsibility of the Library Manager, with the assistance of the Treasurer, to ensure that all funds received from the Friends are accounted for and that the proper reporting procedures are followed based on the grant requirements.
- iv. It is the responsibility of the Library Board to provide accurate estimates to the Friends for upcoming financial needs.
- v. It is the responsibility of the Friends to explain all reporting requirements for each funding allocation.
- vi. It is the responsibility of the Library Manager and Treasurer to ensure that both the Sheep River Library and the Friends receive regular updates on expenditures to ensure they are meeting the specific funding requirements.
- vii. It is the responsibility of the Library Manager, in conjunction with the Library Board, to fill out the necessary amendments, forms and applications when seeking approval to use grant or casino money for Library activities.

Approved: March 14, 2013

SECTION 7: N
Policy:

Finance
Grants

The Funds Development Committee shall be responsible for applying for funding or grants that would be beneficial to the Library using available resources such as Grant Connect.

These include but are not limited to:

- Family and Community Support Service (FCSS) Grants from the Towns of Turner Valley and Black Diamond
- New Horizons for Seniors Grants when available
- Volunteer Alberta Grants
- Culture and historical grants
- Community Facility Enhancement Project (CFEP)
- Community Initiative Program (CIP)
- Monitoring trends in the community or region and adapting fundraising strategies as necessary
- Participating in ongoing skill building opportunities as offered by Marigold and/or Government agencies
- Working with the Friends of the Sheep River Library

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Revised: April 15, 2014

SECTION 7: O
Policy:

Finance
Donations

Donations of cash and in-kind gifts are gratefully accepted. This includes but is not limited to money, equipment, furnishings, books, supplies and program materials. It is the responsibility of the Library Manager to provide a receipt and thank you letter for all donations and in-kind gifts after a detailed list has been provided at each monthly Board Meeting for approval.

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