

Latah County Library District Financial Policies Approved 9/20/11

1.0 Fiscal Year

The Library District's fiscal year is October 1st to September 30th.

2.0 Financial Reporting

A treasurer's report will be given at each regular meeting of the Board and will include a report on the status of revenues and expenditures as they relate to the annual budget and other financial reports as requested by the Board.

3.0 Annual Budget Development

A draft budget proposal will be developed by the Finance Committee and presented at the June board meeting. A second draft budget proposal will be presented at the board meeting in July. The budget presentations at both the June and July meetings will be announced to the public via press releases.

Concerns expressed by board members or the public during the budget presentations in June and July will be considered by the Finance Committee and addressed by the next board meeting (July and August respectively).

The final draft budget proposal will be presented in August at a public budget hearing pursuant to provisions of Idaho Code. An appropriate legal notice will be published. Press releases announcing the budget hearing will be issued.

An approved budget shall be certified to the County Commissioners pursuant to Idaho Code.

4.0 Budget Format

All cash resources possessed by the Library District will be named and accounted for in the annual budget.

5.0 Annual Audit

An annual audit and management letter will be prepared and presented to the Board for review and approval.

5.1 Rotation of Auditors

The Library District will change auditors at least once every five years.

6.0 Fiscal Control

Checks and accounts payable must be signed by two account signatories. Account signatories shall include the library director and at least two board members. When two signatories are unavailable, checks and accounts payable may be approved by the business manager upon receiving documented authorization from two signatories.

Changes in financial institutions used by the Library District or changes in account configuration must be approved by the Board.

7.0 Cash Handling Policy

The Board recognizes the fiduciary obligation to establish policies and controls to protect and sustain the assets of the Library District. Controls are required to safeguard against loss and to protect employees by defining responsibilities in the handling of cash. Cash is defined as currency, checks, money orders, negotiable instruments, charge card transactions, and electronic fund transfers.

- a) Controls will be based on the principals of independent checks, secure systems, and staff training.
- b) Controls will be reviewed annually in coordination with the LCLD audit.
- c) LCLD employees and volunteers shall comply with all applicable policies and procedures.

8.0 Disposition of LCLD Cash Resources

Disposition of cash resources is governed by provisions of Idaho Code regarding the finances of municipal corporations.

9.0 Donations

The District may receive donations of real or personal property.

Cash donations may be restricted:

- a. For use by a designated branch within the District, or
- b. For the purchase of either adult or youth materials

All other donations except for unrestricted cash are subject to approval.