

Latah County Library District Financial Policies Approved 9/20/11; Revised 1/20/15, 5/24/22; 10/25/22

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.

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.

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.

6.0 Fiscal Control

Checks and accounts payable must be signed by two account signatories. Account signatories shall include the library director, the board treasurer, at least one trustee, and the business manager. When a second signatory in addition to the director, board treasurer, or a trustee is unavailable, checks may be signed by the business manager.

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 the benefit of 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.

10.0 Grants

The Director shall review or have procedures in place for the review of all grant applications and donations that impact the Library District. Any grant exceeding \$5,000 or that commits the Library District for more than one year shall be brought to the Board for approval at a regular or special meeting. Grants applied for by outside groups (e.g., Friends of the Library) should be coordinated with the Director who shall cause each such application to be reviewed and approved as described above. The District shall not be bound to accept grants that do not follow Financial policy or procedures.

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