

## **FINANCIAL POLICY**

The Berthoud Community Library District establishes this financial policy to ensure fiscal accountability, appropriate use of funds in support of the District's mission and goals, and compliance with appropriate laws and ordinances.

### **Budget and Reporting**

1. The Library CEO, Board Secretary, and additional staff members with responsibility for budgetary elements will develop a calendar year budget for Board review and adoption to meet legal requirements.
2. On a monthly basis, staff will present a list of all expenditures to the Board for review and acceptance.
3. Staff will also, on a monthly basis, present a monthly financial report showing the status of all accounts and funds. This report will clearly present the financial position of the library and should indicate the current position of each budgetary line item including budgeted amount, receipts, monthly and year to date expenditures, and remaining budget.
4. All District financial records will be submitted to audit by an independent firm on an annual basis for preparation of the exempt from audit application.
5. District finances will be annually reported to the State of Colorado as required by Colorado Library Law.

### **Authority to Spend**

1. The checking and savings accounts held by the District shall have the signatures of the Library CEO and Board Secretary on file. All investment accounts and a safety deposit box (if needed) shall have the signatures of the Board Secretary on file.
2. The Library CEO is authorized to sign all checks, including payroll, with the exception of any checks written to the CEO. Such checks will require the signature of the Board Secretary.
3. The Library CEO is authorized to spend:
  - a. Up to \$750 on any single budgeted item or invoice without prior Board Approval.
  - b. Between \$751 and \$4,999 on any single item only with approval of the full Board without a bid.
  - c. \$5,000 or over only after completing the formal bid process as described in Colorado law.

4. The Library CEO is authorized to make deposits in the appropriate District accounts and to transfer funds from one budget line-item to another for payment of monthly library bills.
5. In case of emergency (safety or security), the Library CEO may expend necessary funds with the approval of any two Board members.
6. The Library CEO shall be authorized to maintain charge accounts at necessary suppliers, and to open a debit and credit card in the District's name.

### **Disposal of Property**

1. Withdrawn library materials and materials donated but not added to the collection will be offered to the Friends of the Library to raise funds for projects. Items deemed unfit for sale may be discarded at the discretion of the CEO without Board approval.
2. All other District property disposal must be approved by the Board.

### **Grants and Donations**

1. Funds donated to the District may be allocated according to the wishes of the donor or may be undesignated. The Board shall determine the disposition of undesignated donations.
2. The Board shall have the right to approve or deny library utilization of grants or contracts on behalf of the District.

### **Investment Policies**

1. The District's monetary assets are accounted for in the various funds of the District and shall include the General Fund, Building Fund, and any other Fund established by the Board.
2. Investment of these funds shall be based on the following objectives: safety, maintenance of sufficient liquidity to meet current obligations, return on investment, and simplicity of management. When possible, priority shall be given to local financial institutions.