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|  | **Leeds and the**  **Thousand Islands**  **Public Library Board** | | **Policy** |
| **SECTION: Financial** | | **NO: FN- 01** | |
| **TITLE: Financial Management Policy** | | **Date: May 17, 2023** | |
|  | | **Next Review Date: May 2028** | |

1. **Policy Statement**

1.1 This Policy outlines the financial objectives, principles, and high-level processes of the financial administration of the Leeds and the Thousand Islands Public Library Board (“The Library”) under the support of The Corporation of the Township of Leeds and the Thousand Islands (“The Township”).

The Library and the Township wish to develop a partnership based on customer service and best administrative practices and principles.

1. **Management of Funds and Services**
   1. The Township agrees to provide the following administrative services to the Library free of charge as follows:
2. Payroll services
3. Human Resources, including negotiation and administration of the benefits program
4. Accounting services
5. Future administrative services as may be required
   1. The Library Board, through the Library CEO, is responsible for approving all Library payroll, operating expenditures and adjustments.
   2. The Township establishes and operates the payroll and accounting programs and agrees to consult with the Library on the operating service standards as they apply to corporate services being provided to the Library.
   3. As per the ***Public Libraries Act*** R.S.O. 1990, CHAPTER 44, the Library will maintain a bank account in the name of the Library Board for the receipt of funds issued to the Library Board.
   4. The Library will require financial reports from the Township on a regular basis. The Library will ensure report requests are submitted with sufficient lead-time for production. The Township will likewise respond and generate reports in a timely fashion.
   5. The Library will provide all financial documents and records in a timely fashion including weekly submission of approved and coded accounts payable invoices on a day to be agreed upon by both parties.
   6. The Library will provide access to any relevant financial information to facilitate the accounting work performed by the Township.
   7. The Library will respond to inquiries and requests made by Township staff in a timely fission to ensure efficient and timely processing of transactions and reporting.
   8. The Township Director of Finance and the Library CEO will meet in November of each year to review the Budget and report to the Council and the Board accordingly.

2.10 The parties agree that the ownership of any records utilized by either party in the provision

of partnership services will remain with the originating party and that such record will be

subject to the laws of the ***Municipal Freedom of Information and Protection of Privacy Act***

as of applies to the party which originally created the records.

2.11 The parties agree to respect and maintain the privacy of all other information coming to

the attention of the parties as determined both by law and by best administrative practices.

1. **Accountability**
   1. The financial year of The Leeds and the Thousand Islands Public Library shall terminate on the 31st day of December in each year.
   2. In accordance with the ***Public Libraries Act***, R.S.O. 1990. CHAPTER 44, the Library will maintain a bank account(s) in the name of the Library Board for the receipt of funds issued to the Library Board.
   3. The Board shall appoint at least three signing officers, one of which will be the treasurer (the Library CEO). All cheques or other orders of payment of money in the name of the Leeds and the Thousand Islands Public Library shall be signed by any two signing officers.
   4. The CEO shall be the signing officer for contracts with vendors and granting agencies.
2. **Budget**
   1. The Township Director of Finance and the Library CEO shall develop an annual operating budget showing potential revenue from all sources (province, local, donations, self-generated) and proposed expenses for library operations. The Township Director of Finance and the Library CEO will meet in November of each year to review the Budget and report to the Council and the Board accordingly. The annual operating budget shall be presented to Council before final approval is granted.
3. **Financial Responsibilities of Chief Executive Officer (CEO)**
   1. The Library CEO will be the treasurer for the Library Board working alongside the financial services provided within the Township.
   2. A copy of the audited financial statement will be submitted to the provincial Ministry responsible for libraries as part of the requirements to complete the Public Library Operating Grant application.
   3. The CEO is authorized to operate the library within the approved library budget and shall authorize payments of all invoices and payroll within the budgeted amounts.
   4. The CEO may apply for, and bind, any grants deemed appropriate for the operations of the library.
   5. The CEO may accept donations of cash, in-kind, or materials to support the operations of the library.
4. **Financial Monitoring**
   1. The Library and The Township monitor the finances to ensure that the ongoing financial position of the library is consistent with the priorities approved by both parties. The Board shall monitor the monthly financial report as prepared by the treasurer at each board meeting.
   2. In accordance with the ***Public Libraries Act***, s. 24(7), the accounts of the board shall be audited, by a person appointed under section 296 of the ***Municipal Act***, S.O. 2001. c.25 and submitted to council annually on or before the date specified by the council.
   3. An audit may also be undertaken, upon the death, resignation, dismissal or other termination of the treasurer of the Board, and at such other times as the Board shall direct.
5. **Surplus of Funds**

* 1. If by chance, due to unforeseen library circumstances there is a surplus of funds remaining

From the operational budget supplied by the Township, the Library Board is in full agreement that these funds be returned to the Township.

* 1. Library revenue achieved through self-generated means, such as book sales, donations, fax charges, printing services, or any other fund-raising avenues will be kept in the Library’s own reserve fund.

1. **Authorization of Reserve Accounts**
   1. The Board may authorize the annual roll-over of any unused funds or interest in an Operating Reserve Account. The library reserve may not include annual provincial funding which must be spent on library services in the fiscal year received.

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| History | | | |
| Approval Date: | May 17, 2023 | Approved by: | B. Lolley |
| Amendment Date: |  | Approved by: |  |
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