

COAL CITY PUBLIC LIBRARY DISTRICT
FINANCE POLICY

APPROVED BY
THE BOARD OF TRUSTEES

REVISED
AUGUST 22, 2017

FINANCE POLICY

RECEIPTS AND DISBURSEMENTS

- 1) All monies shall be deposited twice a month except for tax money, checks pertaining to small claims court, or other large amounts which shall be deposited upon receipt.
- 2) Bills for purchased materials and/or services shall be presented for payment after the library director and/or assistant library director board treasurer have verified invoices and other pertinent documentation.
- 3) All district disbursements shall be made by means of checks drawn upon the district account.
- 4) All reasonable and ordinary operating expenses can be paid by the library director without prior approval by the board of trustees.
- 5) Two (2) of the following officials shall sign checks:
 - a) Board Treasurer
 - b) Library Director
 - c) Assistant Director
 - d) Board President or Designated Trustee

All checks must be signed by at least one authorized member of the board of trustees. All signatories must be bonded.

- 6) Funds may be transferred from one account to another account with the library director's authorization.
- 7) A petty cash fund in the amount of \$500.00 is authorized by the board of trustees.
- 8) The library has a credit card for uses outlined in the Credit Card Policy.

INVESTMENTS

- 1) District funds in excess of current requirements shall be invested in interest-bearing accounts whenever possible.

- 2) The following types of investments are permitted:
 - a) Bank Money Markets
 - b) Interest Earning Checking Accounts
 - c) Savings Accounts
 - d) Illinois Public Treasurer's Investment Pool (IPTIP)
 - e) Certificate of Deposit
 - f) Repurchase Agreement in accordance with the Public Funds Investment Act.
 - g) Other investments the board of trustees agrees would be in the best interest of the taxpayers.
- 3) Whenever an account exceeds the FDIC limit, security pledges will be made to cover any excess.
- 4) Funds specified for the Special Reserve Fund will be invested in a separate interest bearing account.
- 5) Funds specified for the Working Cash Fund will be invested in a separate interest bearing account.
- 6) No investment shall have a maturity date of more than five years from its date of purchase by the library.

EXPENSES

- 1) The district shall reimburse members of the board of trustees for expenses incurred in conducting official business on behalf of the district as determined and approved by the board of trustees.
- 2) The district shall reimburse any staff member for expenses incurred while on official library business as determined and approved by the library director.
- 3) Membership to appropriate library organizations for full-time employees and/or the board of trustees shall be paid by the Coal City Public Library District at the following rates:
 - a) American Library Association - 100% of personal base membership fee for the library director, assistant library director, and/or a board of trustees member.

- b) Illinois Library Association - 100% of personal base membership fee for the library director, assistant library director and/or a board of trustees member. Department heads are eligible as the budget allows and upon approval by the library director.

Membership in the above organizations is voluntary.

- 4) The Coal City Public Library District may be an institutional member of the American Library Association, the Illinois Library Association, the Library Administrators Conference of Northern Illinois (LACONI), and others as designated by the library director.
- 5) Travel in connection with official library business shall be reimbursed as the budget allows as follows:
 - a) Privately-owned vehicle - on a mileage basis from the library to destination and return based on Internal Revenue Guidelines. Tolls and parking fees are also reimbursable.
 - b) Travel - whether by private or commercial vehicle, shall be done at the lowest possible cost.
 - c) Lodging and meals - the cost of lodging and meals will be reimbursed at the discretion of the board of trustees or the library director on presentation of receipts.

NON-RESIDENT CONTRACT FEES

- 1) In compliance with the guidelines set forth by the Illinois State Library, the non-resident contract fees shall be calculated using the tax bill method, however a **minimum fee applies**. The minimum fee is \$87.00. The cost of the contract is based on the median home value in the Coal City Public Library District and the library's current tax multiplier. Cost is computed by multiplying the current year median home value by the library's current tax rate.
- 2) Non-resident taxpayers must bring in a copy of their current real estate tax bill. The contract cost is computed by multiplying the current year taxable value by the current library tax rate. If the computed cost

is less than the minimum fee, the minimum cost applies.

- 3) Non-resident renters must bring in a copy of their current lease or rent receipt. The contract cost is 15 percent of the monthly rent. If the computed cost is less than the minimum fee, the minimum cost applies.
- 4) For tax-exempt housing or nonresidents that can't provide a real estate tax bill or rent receipt the contract cost is based on the state library's general formula. The library's tax income is divided by the library district population to determine the cost per capita. The per capita figure is then multiplied by the average number of persons in a household in the district. If the computed cost is less than the minimum fee, the minimum cost applies.
- 5) Non-resident contracts expire one year after the date of purchase. The expiration date is printed on the card.

GIFTS

- 1) The library welcomes gifts of money, library materials, furnishings, or real property.
- 2) No gifts are accepted unless given to the library without restriction. All gifts may be utilized, sold or disposed of in the best interest of the library. All donations are accepted only if the library director or the board of trustees determines that they can be utilized by, or benefit the library.
- 3) Gifts of cash, securities, real property and bequest that support the mission of the library will be handled by the library director, who, with the board of trustees, will work out terms of acceptance that are compatible with library policies, the donor's intent, and applicable laws.

Bonding and Liability

- 1) The library director and library board treasurer have the delegated authority to buy and sell

investments with board of trustee approval. Because of this responsibility, they are to be properly bonded.

- 2) When investments are made in accordance with this policy, the library director and library board treasurer shall not be held liable for a loss resulting from default or insolvency of a depository of library funds.