

DeKalb Public Library Public Finance Policy

The Board of Trustees of the DeKalb Public Library has exclusive authority to establish an annual operating budget according to state law and Board policies as well as exclusive authority to approve expenditures of all library funds set forth in said annual operating budget. In general, all supplies, materials, equipment, and contractual or professional services will be included in the annual operating budget.

The purpose of the DeKalb Public Library's Finance Policy is to provide a framework for the Library Board of Trustees and staff for the fiscal operations of the library, to assure sound fiscal management and to outline responsibilities for management of the library's public funds. The Finance Policy applies to the financial and investment activities of all funds under the direction of the library. This policy also applies to any new funds or temporary funds placed under the direction of the library.

Revenue and Expenditures:

- All revenue received by the library shall be deposited to appropriate accounts at least monthly or whenever receipts total more than \$300.
- All library disbursements shall be made by means of checks drawn upon the library accounts, or a credit card maintained by the library for use by the Director and Business Manager to conduct library business in accordance with the library's procurement policies and any applicable laws.
- Checks for amounts exceeding one thousand dollars (\$1,000) shall contain any two (2) of the authorized signatures listed below:
 - a. Board President
 - b. Board Vice President
 - c. Board Secretary
 - d. Board Treasurer
 - e. Library Director
- Checks for amounts less than one thousand dollars (\$1,000) need only one signature, which may be that of the Director.
- The library may maintain credit accounts with suppliers to meet regular operating needs, with authorization of the Director, provided the expenses are authorized in the annual operating budget and do not exceed the budgeted amount without approval of the Board of Trustees.
- Petty cash will be maintained in the amount of \$300. The amount shall be authorized annually by the Board of Trustees.
- Receipts substantiating petty cash purchases shall be presented to the Director and then to the fund custodian prior to reimbursement.
- Receipts submitted for reimbursement are for cash purchases up to \$50.00. If receipts are over \$50.00 then a check must be written.
- Under no circumstances may a signatory sign a document for which that signatory is a payee.
- All financial transactions will be reported to the Board at a regularly scheduled meeting.

Procurement:

- The library shall use purchase orders whenever possible for purchases of materials and services.
- The procurement of materials, services and equipment shall be a direct responsibility of the Director.
- Single procurement in excess of \$25,000 shall be advertised and formal bidding procedures followed in accordance with the City of DeKalb policy on Competitive Quotes
- Procurement shall not be split to circumvent the requirement for bidding.
- Whenever possible, for purchases of labor and materials for less than \$25,000, at least three (3) price quotations shall be obtained for any procurement with these quotations becoming a permanent part of the procurement file.
- The library may avoid competitive bidding in compliance with the exceptions described in Section 5-5 of the Local Library Act, 70 ILCS 5/5-5.

- Procurement of items authorized in the annual budget which do not exceed a unit cost of \$5,000 may be made by the Director without further approval of the Board of Trustees. The Director may delegate authority to sign such purchase orders. Such delegation shall be in writing and may be general or specific. Procurement items with a unit cost of \$25,000 or more are considered to be Capital Expenditures, and shall be recorded as fixed assets.

Investment:

- The library shall make investments in accordance with the library's Investment Policy.

Business Travel:

- The library shall reimburse employees and members of the Board of Trustees for expenses incurred in conducting official business on behalf of the library in accordance with the library's Travel Reimbursement Policy.

Memberships and Contributions:

- The Director is authorized to make contributions to local activities of an educational nature or which will enhance the image of the Library in the community. Such contributions shall not exceed \$50 per activity without prior approval of the Board of Trustees.
- In the event that the Director determines that it is in the best interest of the library to have a staff member, or members, belong to a local civic organization, or a state, local or regional library related organization, the library shall pay 100% of the basic dues for such membership. The library shall not pay for any special assessments or other penalties connected with such membership.
- Staff attendance at conferences related to library business must be approved by the Director. Registration at such conferences shall be at the early-bird member rate only with difference for non-member paid by the participant.

Non-Resident Fees:

- In compliance with guidelines set forth by the Illinois State Library, the non-resident fee shall be an amount calculated in one of the means described in 23 Illinois Administrative Code §3050.60 (Appendix G-1). The calculation used to establish the fee shall be reviewed annually by the Board of Trustees in October.
- The non-resident fee rate shall be effective from January 1 through December 31 of each year.

Returned Checks:

- A charge of \$20.00 shall be applied to a customer's account for a returned check. Borrower privileges shall be stopped pending cash payment for this charge.

Conflict of Interest and Ethics:

- Trustees and employees in administrative positions have a fiduciary responsibility to act in the best interest of the DeKalb Public Library and the citizens of DeKalb. As such, they shall use good judgment and exercise discretion in all matters to avoid a conflict of interest.
- Trustees and employees shall comply with the library's Ethics Policy adopted in compliance with Section 70-5 of the State Officials and Employees Ethics Act, and shall have a duty to report violations of which they are actually aware to their supervisor, or if their supervisor is the subject of the report to the Board President.
- Trustees with conflicts of interest shall comply with the Public Officer Prohibited Activities Act (50 ILCS 105) and any other applicable statutes.

Approved by the DeKalb Public Library Board of Trustees 12/13/2017