

Financial Oversight

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Year of Next Review: **2028**

The Board is accountable to the community for the Library's financial affairs. The Board must ensure adequate controls are in place to manage finances and ensure that the Library has adequate resources to deliver service and fulfill its mission. This policy sets out the Board's financial practices.

The Treasurer of the Board shall be the Chief Executive Officer.

Section 1: Accountability

1. Financial year

The financial year of the Port Colborne Public Library will terminate on the 31st day of December in each year.

2. Bank accounts

In accordance with the Public Libraries Act (the Act), R.S.O. 1990, c. P44 s. 15(4b), the Treasurer will open an account or accounts in the name of the Board in a chartered bank, trust company or credit union approved by the Board.

3. Signing officers

Signing authority for the bank account in the name of the Port Colborne Public Library will be granted to the Chair and Vice Chair of the Board, and to the **Treasurer** of the Board. All cheques or other orders for the payment of money in the name of the Port Colborne Public Library will be signed by two officers, one of whom must be the Chair or Vice Chair and the second must be the **Treasurer**.

4. Electronic transfers

The Library will authorize the Province of Ontario to make all payments by direct deposit into the Library's bank account. Public Library Operating Grants, Pay Equity Grants and any other funds from government sources will be deposited directly into the Library Board bank account via Electronic Funds Transfer.

5. Transfer of Funds to a Municipality

At any time, by a motion of the Board, the Treasurer may transfer funds from the Library bank account to a municipality bank account to pay public library board bills.

The Board will authorize the bank to transfer non-budgeted funds from the Library Board bank account to the City of Port Colborne account or at any time there is a credit balance in the Library Board account. This authorization will take the form of a letter signed by all **three** signatories.

Transfers approved by the Board in the annual budget are considered authorized by the Board.

6. Budget

- a) In accordance with the Act, s. 24(1), the Board will submit to council, annually on or before the date and in the form specified by council, estimates of all sums required during the year.
- b) The Board prepares, for council approval, annual estimates of a long-term capital budget which supports the library's approved long-term goals.
- c) The Board will provide sufficient information to support the estimates.

Section 2: Financial Responsibilities of Chief Executive Officer (CEO)

1. The Chief Executive Officer (CEO) will submit a copy of the financial statement to the provincial Ministry responsible for libraries as part of the requirements to complete the Public Library Operating Grant application.
2. The CEO is authorized to operate the library within the approved budget.

Section 3: Financial Monitoring

1. The Board monitors the finances to ensure that the ongoing financial position of the library is consistent with the priorities approved by the Board. The Board shall monitor the monthly financial report as prepared by the Treasurer at each meeting. The Board may enter into a service agreement with the municipality for the municipal staff to handle financial services such as for any or all of accounts payable, accounts receivable, payroll, bookkeeping or other accounting services.

Where the municipality handles financial services, financial authority rests with the Library Board. Service relationships with the municipality shall be documented in a Memorandum of Understanding (MOU).

2. In accordance with the Act, s. 24(7), the accounts of the Board will be audited by a person appointed under section 296 of the Municipal Act, S.O. 2001, c. 25 and submitted to the 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.

Related Documents:

- BL-02: Composition of the Board and Officer's Terms of Reference
- Municipal Act, S.O. 2001, c. 25
- Public Libraries Act, R.S.O. 1990, c. P44