

Financial Control/Oversight

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The library 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, 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

- a) The board shall appoint at least three signing officers, one of which will be the treasurer.
- b) 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.
- c) All cheques or other orders for the payment of money in the name of the Port Colborne Public Library will be signed by any two officers, one of whom must be the Chair or Vice Chair and the second must be the Treasurer.
- d) **The CEO shall be the signing officer for contracts with vendors and granting agencies.**

4. Budget

- a) The board, with the assistance of the treasurer, shall develop an annual operating budget showing potential revenue from all sources (province, local, donations, self-generated) and proposed expenses for library operations.
- b) The board, with assistance of the treasurer, may prepare a long-term capital budget which supports the library's approved long-term goals.
- c) The Annual Operating and Capital budgets shall be approved at a meeting of the library board.

5. Estimates

- a) In accordance with the Public Libraries 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 will provide sufficient information to support the estimates.

6. Electronic Transfers

- a) 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.

7. Transfer of Funds to a Municipality

- a) At any time, by a motion of the library board, the treasurer may transfer funds from the library bank account to a municipality bank account to pay public library board bills.
- b) The library 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.
- c) Transfers approved by the board in the annual budget are considered authorized by the board.

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

1. The Library CEO will be the treasurer for the library board, working with the City of Port Colborne staff provided through shared services with the City of Port Colborne to maintain and report on library finances.
2. The 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 (PLOG) application, if required or upon Ministry request.
3. The CEO is authorized to operate the Library within the approved 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.**

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 are documented in Schedule "A" Support Services Section 2 of the Memorandum of Understanding Between the Port Colborne Public Library and the Corporation of the City of Port Colborne**

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 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.

Section 4: Funds from the Disposal of Assets

1. The board wishes to ensure that the disposal and sale of non-capital surplus assets is fair and transparent.
 - a) Items held on the Municipal ledgers shall be turned over to the municipality for disposition.
 - b) Items expensed under the library budget shall be held on the library ledger, and therefore funds from the sale of disposed assets shall be returned to the library accounts. Disposal of these items falls under OP-18. Library Collection materials are exempt from this policy and will follow OP-04.

Section 5: Tangible Capital Assets

The library will follow the City of Port Colborne Tangible Capital Assets Policy, with the following library-specific guidelines and exceptions:

1. Responsibility

The Municipality will compile and maintain records and prepare reports for specific tangible capital assets related to:

- a) land and land improvements for the library space
- b) building and building improvements for the library space

The library will compile and maintain records and prepare reports for the following tangible capital assets:

- a) shelving and furniture
- b) specialty and other equipment
- c) library-owned computer hardware and software
- d) resource materials, collections

Related Documents:

- Port Colborne Public Library Board. BL 01: Board By-law
- Port Colborne Public Library Board. OP-04: Collection Development
- Port Colborne Public Library Board. OP-18: Purchasing/Procurement of Goods and Services
- Memorandum of Understanding Between: the Port Colborne Public Library and the Corporation of the City of Port Colborne
- Municipal Act, S.O. 2001, c. 25
- Public Libraries Act, R.S.O. 1990, c. P44