

FINANCE POLICY

Philosophy

The Dobbs Ferry Public Library Board of Trustees seeks to fulfill the Library's mission in the most effective and efficient manner and to remain accountable to stakeholders, including Library patrons, community residents / taxpayers, employees of the Library, and the Village of Dobbs Ferry municipal government. In order to accomplish this, the Library commits to providing accurate and complete financial data and accountability.

Authority

The Library Board of Trustees (the "BoT") is ultimately responsible for the financial management of all activities. The Director is authorized to act on the Board's behalf on financial matters under guidelines outlined here:

- The Director is responsible for the day-to-day financial management of the Library. The Board authorizes the Director to hire and supervise staff and independent consultants, pay bills, and make purchases within the annual budget.
- The Director is authorized to submit invoices up to \$3,000 to be paid by the Village Finance Department. Checks for amounts greater than \$3,000 shall require the approval of the Finance Chair or President of the Library's Board of Trustees.
- The Director shall have the authority to shift and amend budgets without Board approval between fund lines so long as the total does not exceed \$2,999. Any changes to fund lines that are \$3,000 or more need Board approval. The Director will make this request to the Board through the Chair of the Finance Committee.
- When a significant overrun situation is encountered, or there is a need or opportunity to spend monies that cannot be covered by the existing General Operating Funds, there may be a need to go "over budget", using monies from accounts other than the Operating Funds. Any expenditure amount that is over and above the approved budget must be approved by the full Board.
- The Director is authorized to enter into contracts for activities that have been approved by the Board as a part of budgets or plans. The Board must authorize any contracts outside of these parameters and all contracts with a financial value greater than \$15,000.
- The Director is authorized to manage expenses within the parameters of the overall approved budget, reporting to the Finance Committee on variances and the reason for these variances.
- The Director is authorized to accept and spend funds provided by the Friends of the Dobbs Ferry Library as outlined in the donation language.

Responsibilities

The Director shall:

- Prepare monthly reports for the Board to review before each BoT meeting. These reports will include monthly revenues and expenses, ytd revenue and expenses, and any significant deviation from budgeted amounts.
- Submit operating and capital budget proposals to the Finance Committee in reasonable time for discussion and approval by the Board prior to each fiscal year.
- Submit all obligations to the Village Treasurer for payment and file required reports in a timely manner.
- Obtain competitive bids for projects based on the Village's Procurement Policy and submit bids to the Village Administrator and/or the Head of the Finance department, based on the Village's procurement policy, to be approved.

The Board of Trustees shall:

- Review financial reports at each board meeting.
- Review and approve proposed annual and capital budgets.
- Review expenditures monthly to ensure that funds are being expended in accordance with the approved budget.
- Provide oversight and approval for expenditures over approved limits as outlined under Director's responsibilities.

Library Accounts

The Library maintains a number of accounts all of which are held by the Finance Office of the Village of Dobbs Ferry. Funds from all of these accounts are under the direction of the Library Board of Trustees (BoT) and the Library Director.

The Library's accounts are:

General Operating Funds: The Library budget for the fiscal year is proposed annually by the Director and Finance Committee and approved by the Board of Trustees of the Village of Dobbs Ferry. Funds generally will be spent according to the designated budget, but that is at the discretion of the Library Board. Funds include tax revenue, income from Library activities, interest from investments, and funds allocated from an account designated as the Fund.

The Fund Balance: The Fund Balance is part of the Operating Funds. Excess money not spent in a particular budget year is added to the Library's Fund Balance. The Fund Balance exists to provide supplemental money for the Library annually and to be invested to secure the Library revenue each year. Conversely, if there is a deficit, additional money will be taken out of the Fund Balance to cover expenses. By Board resolution, the Fund Balance must not go below 25% of the annual Library budget without authorization by the Board along with a plan to restore it to 25% within five years. See the [Fund Balance Policy](#) for more details.

Library Construction Fund: This account includes money remaining from grants and donations at the time of the construction of the Library. After considerable research, the Board concluded that there are no donor restrictions on how money is used. By Board resolution, these funds are to be used at the Board's discretion.

LAM Estate: Funds originated from a legacy donation and are restricted to purchasing children's books.

New Accounts: From time to time, it may become necessary or useful to set up additional accounts to hold restricted donations or to segregate funds for other reasons. Similar to the accounts above, funds will be under the control of the BoT but held by the Village Finance office.

Investments

The securing and maintenance of the Library's investments has been delegated to the Village's Finance Department as part of the Village's investment program. The Library Director will consult with the Village's Finance Department on a quarterly basis to discuss investment opportunities for funds not being used from the Library's Accounts. Recommendations will be prepared for Library Board approval. The factors determining investments will be liquidity, yield, and safety of principal. Only financial vehicles legally approved for use with municipal funds are to be considered.

Donations

Any revenue that is received by the Library outside of the regular revenue sources must be accepted by the Library BoD. The Director and Finance Committee will determine which account to move the money into, taking into consideration the donor's restriction or intent.

Grants:

Grant applications to fund services/programs with local, state or federal funds are reviewed by the Finance Committee and the Library Director, with significant consideration given to:

1. the cost of administering the grant relative to the amount of the grant,
2. the availability of matching funds, and
3. the extent to which locally generated funds will be required to support the program when the grant funding is no longer available.

Day to Day Operations

Cash Drawer:

The Library's cash drawer will be closed and locked 10 minutes before closing. After that time no money will be collected. All checks and cash will be added. All cash over \$60 will be entered

into an envelope with the checks. The envelope will have the amount enclosed and initialed by the clerk, then put into the safe. If there is over \$60 in the register there will be a note with an explanation initialed by the clerk.

At the beginning of each week sales will be recorded and added by the Assistant Director and Director before being deposited with the Village Finance Department.

Purchasing:

Purchasing of supplies, equipment and library materials is left to the discretion of the Director. Any purchases over \$3000 will need Board approval unless it was already budgeted for. In general, purchases are handled by the following staff:

Library Materials - Librarians

Program Supplies - Librarians

Equipment - Director and Assistant Director

Supplies - Director and Assistant Director

Librarians in charge of ordering for the collection will be given an amount at the beginning of the budget year. The Director has the discretion to increase or decrease these amounts throughout the year.

All staff must fill out a Budget Request form for supplies or equipment they wish to purchase. These will be handed to the Director for approval. All requests will be purchased by the Assistant Director.

Invoices will be reported into the accounting software by the Assistant Director. Final approval for payment is done by the Director.

[Conflict of Interest Policy](#)

[Gift Donation Policy](#)