

Finance Policies

Part I: Budget Development & Expenditure

It is the responsibility of the Board of Trustees to adopt an annual budget. The development of the budget for the Library is the responsibility of the Board of Trustees with the assistance of the Director and the Treasurer.

Funds for the Library budget come primarily from the tax levy. The Northville Central School District collects the voter approved tax and distributes it to the Library. Any changes in the tax levy must be approved by the voters of the Northville Central School District during the annual election.

Additional funds for the Library budget may come from fines and fees, including out-of-district fees from individuals who use the Library, per capita State aid, and MVLS, as well as donations by individuals and by the Friends of the Northville Public Library.

The Director is responsible for operating the Library using the funds as described by the annual budget. The Trustees are responsible for budgetary oversight and may authorize an adjustment in spending as circumstances dictate.

All checks drawn on the Library's operating account must be signed by the Treasurer or another trustee in the Treasurer's absence. Other accounts (technology, reserve, capital, and endowment) may be overseen by the Library Director with Trustee approval. The memorial account may be overseen by the Library Director and reported to the Trustees at monthly meetings.

The financial records will be reviewed periodically. A monthly treasurer's report and payment warrant will be presented at each Board of Trustees meeting

A Federal 990 form and an OSC Annual Update Document form will be completed annually.

Part II: Purchasing Policy and Procedure

General

Only the Library Director may commit the library to purchases. All purchases require the proper preparation of a purchase order or other approved procedure. It is the responsibility of the Library Director to secure the appropriate bids or to investigate alternative suppliers to ensure the most economical purchase of required items. The Library Director shall have the final authority on all purchase decisions.

General Purchases

Up to \$5,000: Discretion of the Library Director

\$5,000-\$19,999: Minimum of three documented quotes or a documented reasonable alternative approved by the Board of the Trustees prior to purchase

\$20,000 or more: Formal bid process. If a bid other than the lowest is accepted written justification and documentation must accompany the purchase paperwork.

Public Works

The following schedule is for public works projects involving services, labor, or construction. Prevailing wage regulations apply to all public works projects.

Up to \$5,000: Discretion of the Library Director

\$5,000-\$34,999: Minimum of three documented quotes or a documented reasonable alternative approved by the Board of the Trustees prior to purchase

\$35,000 or more: Formal bid process. If a bid other than the lowest is accepted written justification and documentation must accompany the purchase paperwork.

Appropriations

All purchases must have a budgetary appropriation.

Part III: Cash Receipts

Cash receipts for fines and fees are collected at the circulation desk, recorded, and placed in a cash box. The library director is responsible for collecting the cash and transferring it to the treasurer for deposit in the operating account.

Approved Unanimously: June 9, 2014