

## Financial Policy

### 1. Budget

- The budget for the ensuing fiscal year shall be prepared by the Langdon Library Board of Trustees (LBOT) and the Director when requested by the Board of Selectmen. The budget shall be presented to the Board of Selectmen for their submittal to the Budget Committee. Trustees and the Director are expected to attend public budget hearing and the Town Meeting at which the library appropriation is discussed.

### 2. Accounts

- The library will maintain a minimum of two separate spending accounts:
  - An operating account for funds paid over by the Town; and
  - A non-lapsing account for funds from income generating equipment, fees, gifts, and other revenue.
  - All accounts will be used to fund the operation of the library and be debited by the LBOT following the spending guidelines outlined below and RSA 202-A:11 and RSA 202-A:11-a.

### 3. Cash Receipts

- All monies collected by the Library, including but not limited to that from materials replacement, fees and income generating equipment, will be made to the cash drawer. A record of each receipt will be made on a tally/ledger sheet.

### 4. Petty Cash

- The cash drawer will be monitored and secured by the Director, who will enforce procedures for other staff to achieve this purpose. Payments made from cash (i.e., museum reimbursements, incidental expenses, etc.) will include receipts as applicable, and will be recorded on a tally/ledger sheet with necessary explanatory information.
- The cash drawer will be audited by the LBOT Treasurer on at least a biweekly basis
- The total amount of cash will be maintained by the LBOT Treasurer to as close to \$150 as possible. On a weekly basis, the amount will be checked by library staff with

the excess being collected for deposit by the LBOT Treasurer (or designee). The amount removed or added will be recorded in the tally/ledger sheet.

- All cash will be securely locked when the Library is not open.

#### 5. Non-Appropriated Revenues Account

- Non-appropriated revenues from fees, materials replacement, book sales, copier revenue, and other sources shall be deposited in a separate, non-lapsing, interest bearing account.

#### 6. Income and Expenditure Report

- The Director will submit a separate monthly report to the Trustees detailing income and expenditures. Non-appropriated revenues and expenditures shall be noted separately in accordance with RSA 202-A:11a.

#### 7. Efficient Use of Funds

- The Langdon Library will endeavor to utilize its funds in the most efficient manner possible.

#### 8. Expenditures

- All library expenditures will be reviewed and approved by the Library Director, by initialing, and LBOT Treasurer. The range specified does not include the endpoint of the maximum. So instead of \$0.00 to \$500 the range is really \$0.00 to \$499.99.
- The board may, in its discretion and by a majority vote, waive the requirement of bidding out any expenditure.
- Expenditures below - \$500
  - The board will be kept apprised of all such expenditures by regular monthly reports by the Treasurer.
- Expenditures between \$500 - \$1000
  - Require at least three written or verbal quotations. All quotations will be documented and provided as support material for the purchase. The board will be kept apprised of all such expenditures.
- Expenditures between \$1000 - \$3000

- Require at least three written quotations. All quotations will be included in the documentation for the purchase.
  - Approval of the purchase must be made by a minimum of three board members prior to the purchase. Approval may be obtained electronically.
- Expenditures in excess of \$3000
  - Shall be made using a competitive bidding process, unless the item or service is sole source, in which case proof of the sole source needs to be documented.
  - All expenditures above \$3000 require board approval at a LBOT meeting.
- Discretionary exclusion
  - The Director may make emergency repairs as required without obtaining quotes when building functionality or safety is impaired. The trustees are to be notified as soon as possible. Trustees are to be notified prior to repairs being made if feasible.
- Non Planned Expenditures
  - All expenditures not included in the approved Library budget require prior authorization by the board, except under emergency circumstances, as described above.