

Edith B. Ford Memorial Library

SPECIAL BOARD MEETING

March 5, 2018

11 am – 1 pm

PURPOSE: To discuss and establish policies and procedures for the organization of the finances at the Ford Library including the Treasurer's role, bookkeeping procedures, and internal audits of the warrants/vouchers; and longer-term budget concerns

AGENDA

1. Determine the role of the Treasurer of the Board of Directors.
 - a. Responsibilities:
 - b. Duties including:
2. The roles and procedures of library staff in paying warrants/claims/vouchers.
 - a. The flow of income from receipt to deposit
 - b. The flow of a bill or claim through arrival to payment
 - c. Duties of each staff assigned to receipts and payments including access to bank accounts, transfer of funds, etc.
 - d. Oversight of these procedures
3. Budget alert regarding staffing for FY2019
4. Long term plans for an outside bookkeeper

NOTES

Please bring a brown bag lunch. We will have a working lunch.

Please review these materials before the meeting and come prepared to make decisions on how the suggested policies and procedures can be incorporated into our financial policies and procedures at our library.

- [***The Public Library Treasurer: Their Role and Legal Responsibilities*** \[also in PDF !\[\]\(039cd6b2e7148ba5690aa619b922c426_img.jpg\) 126k\]](#)
- <http://osc.state.ny.us/localgov/pubs/lmgm/practiceinternalcontrols.pdf>
- **Ford Investment Policy**
<https://drive.google.com/open?id=1tL5g61uczdNI6IHNLgZNIgqwgALUnv>
- <http://www.nysl.nysed.gov/libdev/trustees/handbook/handbook.pdf> Section Budget and Finance, p. 49
- **Shannon will forward drafts of Flow Charts for:**
 - **When money arrives**
 - **Invoices and payment**

Edith B. Ford Memorial Library, Ovid, NY
Board of Trustees, Minutes of Special Meeting

Meeting Date: 5 March, 2018

A special meeting of the Trustees of the Edith B. Ford Memorial Library was held at the library.

Present: Sally Eller, Lisa Brown, Jean Currie, Barbara Gerlach, Mark Jauquet, Mary Lou Schwartzberg, Chris Willson, Shannon O'Connor

Excused: Honorine Rock,

Guest: Dan Pletcher

Call to order: President Eller called the meeting to order at 11am. A quorum was present.

Approve Agenda: Motion by Currie to approve the agenda. Motion passed.

Role of the Treasurer:

Jauquet provided a short history of his Treasurer's role since 2008. Fairly primitive processes have since been improved and streamlined including the recent move to QuickBooks and use of Google Drive. He provided a list of duties of the Treasurer. Time spent weekly by the Treasurer is 45-80' but varies according to time of year; and by staff about 5hrs/wk. There was discussion about investments (the endowment) and how that will be managed going forward with all investment being in Fidelity. The Board will annually authorize the Treasurer to rebalance and transfer funds to match the target asset allocation each quarter from the endowment disbursement. A motion to this effect will be offered at a future Board meeting. The Treasurer will investigate getting view only passwords for Board members for Fidelity.

Many of the large reports such as the annual report can be populated from QuickBooks and other ongoing reporting.

Bookkeeping roles and procedures by staff:

O'Connor had provided narrative procedures for payments and receipts. There was some discussion of the flow, how many hands touch each item (invoices, monies etc.), who and how reconciliations are made, and the risk at any one stage. We agreed that current procedures appear to work well and limit risk. There may be some tweeks to further streamline procedures but these will be worked out over the next year. The Polaris system is very helpful in tracking many of the receipts such as fines, copies, donations etc.

The Treasurer has developed a one page monthly report in the same format as that provided now, accounting for all components of the library finances and is derived from QuickBooks ported to an Excel spreadsheet. The Board will not normally see a P&L and Balance Sheet unless requested.

Copies of most documents are uploaded to Google Drive for the Board and Finance Committee to review.

Budget concerns for 2019 on:

O'Connor provided information on funding needed to increase staff and staff hours as well as maintenance (heating, cleaning, power etc.) due to the larger size of the new building. The capital campaign was premised on lower construction costs than is currently likely and included funds to add to the endowment for ongoing maintenance. These endowment funds now need to be made up: \$1million for the endowment or about \$50,000/pa. How to do this?

- | | |
|---|---------------------------|
| • Increase tax ask on school district ballots | • Stop construction |
| • Grants | • Cut hours |
| • Local gifts | • Take from the endowment |

Until we have the final GMP/cost of the construction, we do not know how much to raise, but it will still be at least \$600,000. There was no solution to this question.

Audit

We agreed there should be an audit in 2019 for 2018 finances.

Adjourn: The meeting adjourned at 1:10pm.

Approved March 15, 2018

Date of approval

Jean Currie, Secretary

Edith B. Ford Memorial Library Treasurer's Report

3/1/2018

| | | | |
|---------------------------|---------|------------------|-------|
| Operating Accounts | | \$113,904 | |
| CommBank | Check | \$5,000.00 | 0% |
| CommBank | Savings | \$264,719.23 | 0.05% |
| Buffalo St Books | Gift | \$341.90 | 0% |
| Petty Cash | | \$100.00 | 0% |
| PayPal | | \$0.00 | 0% |
| Pending Transfer to FLFCU | | -156,257.01 | |

| | | |
|--|--|---------------------|
| Capital Funds Balance | | \$389,577.73 |
| FLFCU Savings (0.08%) | | 20.26 |
| FLFCU Money Market (0.1501%) | | 562,056.37 |
| FLFCU Checking (0%) | | 747.00 |
| CD (1.97%) | | \$10,497.09 |
| Pending Transfer from CB Sav | | 156,257.01 |
| Cash Available | | 729,577.73 |
| Borrowed from Endowment | | -340,000.00 |
| CC: Secured \$2,264,306 of \$2.5M Goal | | 91% |
| CC: Expenditures \$281,483 of \$2.5M | | 11% |

| Income | Amount | Budget | Trg:16% |
|---------------------------|------------------|----------------|----------------|
| Endowment Disbursement | 0.00 | 91,882 | 0% |
| Tax Levy (SSCS) | 0.00 | 45,000 | 0% |
| Tax Levy (Romulus) | 0.00 | 16,000 | 0% |
| NYS Local Library ServAid | 0.00 | 2,100 | 0% |
| Seneca County | 0.00 | 15,000 | 0% |
| Town of Romulus | 3,500.00 | 3,500 | 100% |
| Town of Ovid | 0.00 | 4,000 | 0% |
| Village of Ovid | 0.00 | 200 | 0% |
| Copy Fees | 496.03 | 1,100 | 45% |
| Fines | 100.08 | 500 | 20% |
| Donations | 3,463.04 | 13,000 | 27% |
| Bank Interest | 20.76 | 200 | 10% |
| Other (BookSale) | 0.00 | 1,150 | 0% |
| Sub-Total | 7,579.91 | 193,632 | 4% |
| With 2018 Extra Salaries | 10,000.00 | 10,000 | 100% |
| With 2017/18 Assn Mem | 11,730.00 | 16,000 | 73% |
| With 2017/18 BAM | 20 | 1,500 | 1% |
| Total | 29,329.91 | 221,132 | 13% |

| | |
|-------------------------|--------------------|
| Endowment | \$1,986,734 |
| CommBank Irrevocable TR | 284,934.53 |
| Fidelity Investments | 1,361,799.38 |
| Loan to Capital Funds | 340,000.00 |

| | |
|-----------------------------|-----------------|
| Fidelity Investments | |
| Beginning Balance | 1,367,703.74 |
| Add/Distributions | 0.00 |
| YTD Net Gains | -0.4% -5,904.36 |
| Ending Balance | 1,361,799.38 |

| | |
|------------------------------|-----------------|
| Grant Expenditures | 3,272.83 |
| Programs | 1,957.82 |
| Books | 35.21 |
| Other | 1,279.80 |
| New 2018 Grant Monies | 4,370.00 |

| Expenses | Amount | Budget | Trg:16% |
|---------------------------|------------------|----------------|----------------|
| Polaris | 0.00 | 5,800 | 0% |
| Salaries | 21,210.97 | 135,745 | 16% |
| Salaries (extra/overtime) | 60.82 | 1,500 | 4% |
| Payroll Tax Expense | 1,627.25 | 10,499 | 15% |
| Insurance (Medical) | 835.58 | 9,411 | 9% |
| Insurance (HRA) | 110.00 | 6,300 | 2% |
| Travel and Conferences | 5.00 | 2,250 | 0% |
| Supplies (Toner/Copier) | 145.74 | 1,600 | 9% |
| Supplies (Other) | 26.30 | 1,800 | 1% |
| Postage | 54.87 | 800 | 7% |
| Telephone | 104.26 | 600 | 17% |
| Electricity | 0.00 | 5,000 | 0% |
| Fuel | 1,403.92 | 4,000 | 35% |
| Internet | 0.00 | 2,400 | 0% |
| Water and Sewer | 0.00 | 600 | 0% |
| Building Maintenance | 487.71 | 7,000 | 7% |
| Alarm Services | 0.00 | 650 | 0% |
| Insurance (Workers Comp) | 0.00 | 1,177 | 0% |
| Insurance (Disability) | 0.00 | 350 | 0% |
| Insurance (FamilyLeave) | 0.00 | 350 | 0% |
| Insurance (Commercial) | 0.00 | 2,500 | 0% |
| Insurance (Directors) | 0.00 | 900 | 0% |
| Accounting Services | 150.92 | 700 | 22% |
| Bank Fees | 0.48 | 100 | 0% |
| Dues and Donations | 0.00 | 600 | 0% |
| Legal | 0.00 | 1,000 | 0% |
| Sub-Total | 26,223.82 | 203,632 | 13% |
| With Assn/BAM | 6,589.87 | 17,500 | 38% |
| With Books,Programs,Tech | 32,813.69 | 221,132 | 15% |

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|---------------------------|------------------|
| Grant Balance | 17,275.28 |
| G13 - Misc Restrict 2014 | 918.82 |
| G21 - Buffalo Street 2014 | 341.90 |
| G27 - Tributes 2016 | 793.08 |
| G52 - Rosen Lift 2017 | 7,260.36 |
| G59 - Delavan 2017 | 1,751.43 |
| G63 - Seneca Meadows 2018 | 1,300.00 |
| G57 - NYS Uploading | 1,307.33 |
| G58 - SCRLC 2017 | 2,465.36 |
| G61 - FLCAG 2018 | 1,137.00 |

| | | | |
|--------------------|-------|----------------|----|
| 2017/18 BAM | | Trg:42% | |
| | Total | Budget | % |
| Collected | 20 | 1500 | 1% |
| Expenditures | | | |
| Tech Programs | 0 | 1500 | 0% |

| | | | |
|--|-----------------|----------------|------------|
| 2017/18 Association Member | | Trg:42% | |
| | Total | Budget | % |
| Collected | 11,730.00 | 16,000 | 73% |
| Need:\$9705 Arch:\$200 Prg:\$1670 Book:\$155 Tch:\$0 | | | |
| Expenditures | | | |
| Books | 4,050.69 | 7,000 | 58% |
| Elect. Media | 789.12 | 1,500 | 53% |
| Programs | 1,213.17 | 2,500 | 49% |
| Technology | 473.04 | 3,500 | 14% |
| Archive | 63.85 | 1,500 | 4% |
| Total | 6,589.87 | 16,000 | 41% |

\$15,000 reserved for extra salaries 2019/2020

please send along

Mark Jauquet <mark@ovidlibrary.org>

Sun, Mar 4, 2018 at 6:21 PM

To: Sally Eller <sallyeeller@ovidlibrary.org>

Cc: Barbara Gerlach <barb@ovidlibrary.org>, Chris Griffith Willson <chris@ovidlibrary.org>, Jean Currie <jean@ovidlibrary.org>, Lisa Brown <lisa@ovidlibrary.org>, Mark Jauquet <mark@ovidlibrary.org>, Mary Lou Schwartzberg <kehaar@fltg.net>, Chris Griffith Willson <cwillson1226@gmail.com>, Barbara Gerlach <bar623duke@gmail.com>, Shannon O'Connor <shannon@ovidlibrary.org>

Hello,

1. I resurrected the Monthly Treasurer's report (attached). The data entry is quickbooks, but then an excel spreadsheet manipulates the data and assembles the report. Jim from FLLS does something similar to help other libraries complete the NYS annual report. I do have some concerns over whether this is maintainable going forward. I will also bring Jean's comments regarding the start QuickBooks reports.

2. I'm also attaching the Capital Campaign Report.

3. One correction to make about the fundraising though. The \$700,000 for endowment was part of the \$2.5M goal from day 1. I guess when construction cost exceeded our original plan, we never figured out how to raise the additional amount. The current tally I have for expenses is \$3,507,400 (bottom of page 2 of attached Capital Campaign/Construction Report.). \$200,000 of this is for the patio, which I believe is a phase II. We really need to figure out how to raise \$1,007,400 more, or what the contingency will be.

Thanks,

Mark

[Quoted text hidden]

>> shannon@ovidlibrary.org <ovidlib@rochester.rr.com>

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>> [607.869.3031](tel:607.869.3031) <(607)%20869-3031>

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>> ovidlibrary.org

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2 attachments**EBFML.pdf**

104K

**EBFML_construction.pdf**

158K



Edith B. Ford Memorial Library

Serving the towns of Ovid and Romulus

Invoice Procedure

Invoices arrive via mail, email and some accounts are auto-paid through e-checks.

Arrive by mail - invoices are placed in the designated bill box. **By email** - printed and placed in bill box.

Receipts:

- Big M charge account receipts are placed in an envelope;
- Credit card receipts are placed in the credit card binder to be reconciled monthly;
- B&T packing lists are collected in the book binder to be reconciled month;
- Petty cash purchase receipts are placed in the petty cash box, reconciled as needed.

Each Monday, the Director collects all invoices to be paid, this may include the monthly B&T bill, the monthly Big M or credit card bill. Invoices determined to be a valid library purchase are signed by the director and allocated to a budget line. Reimbursement requests related to health insurance, and staff library purchases are also approved. HRA reimbursements are submitted by the head of the personnel committee and signed by the Director. Invoices related to Capital Campaign are approved by the Board President.

All invoices are logged into a weekly summary sheet. The Administrative Assistant checks all invoices and amounts on summary sheet to see if the numbers match. The summary, all invoices and all deposit information, are scanned to make a digital copy and submitted via Google Drive to the Finance Committee for approval. The Finance Committee has until Thursday morning to review and approve payment or to question payment.

Thursdays, the Administrative Assistant logs into Community Bank and issues a check for each invoice. Checks are sent directly to the vendor. In the event an artist is conducting a program at the library, the check is sent to the library and the artist receives the check upon completion of the program and only after providing the library a signed contract. For staff reimbursements, direct deposits are requested.

The Administrative Assistant inputs all transactions into Quickbooks, a digital ledger. In QB, the check amount for each vendor is recorded and the corresponding budget line

Thursdays, the Treasurer records the deposit information into QB. The Treasurer checks the invoice amount and transfers this amount from the savings to the checking account. The Treasurer checks the Quickbook entries.

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Credit Card:

The Director has control of the credit card at all times. Staff requests for online purchases are approved by the Director prior to purchasing, and the credit card information is inputted by staff. Occasionally, in-store purchases are pre-approved and staff use the card to make the necessary purchase. Monthly, receipts are organized by the Administrative Assistant and all purchases are allocated to a budget line. The director signs all invoices to approve payment.

Charge Accounts:

The Big M account is used by library staff and select volunteers. Periodically, we change our code number. Midlakes Metal and Vasco Brands have a charge account that is primarily used by the Custodian.

Tax Exempt:

Every effort is made to have our tax exempt status acknowledged. At times, this process is just not feasible, such as the event you need a driver's license for the cashier to scan. Other times, this often happens when a volunteer is sent to make a purchase and we are unwilling to provide the volunteer with our charge account number or the credit card.

Timesheets:

All hourly employees are required to complete a timesheet at the beginning and end of each shift. A pay period runs Wednesday-Tuesday, covering 14 days. Every other week, the Director checks each employee's timesheet and signs off on hours. The Administrative Assistant double checks the hours and then logs into Intuit payroll to process payroll. Timesheets are filed in the cabinet as well as scanned and stored on Google Drive along with weekly finances. On the weeks that we process payroll, the summary sheet is updated with the payout amount, and added to the final total that the Treasurer will transfer from the Savings account for that week.

In the event the Director is absent from the library, the Administrative Assistant signs and prepares the weekly invoices and/or timesheets. If the Administrative Assistant is absent, the Director will process invoices and payroll.

Both the Administrative Assistant and the Director have access to log into Community Bank and write checks; log into Intuit Payroll to process checks; and log into PayPal to transfer money from PayPal to the checking account.

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Trustees:

Board Responsibilities regarding The Treasurer:

1. Public library boards are required to provide fiscal oversight of the library.
2. Designate a board member as “Finance Officer” or “Treasurer” to thoroughly review all the library financial statements and expenditures prior to the Board Meeting.
3. At every Board meeting **all** trustees should review the monthly financial reports and expenditures, including the warrants/vouchers; the bank statements; and the investment reports. **Every member of the board has a fiduciary responsibility to the community.**
4. Determine the role of the Finance Committee in the procedures for internal audits of the warrants/vouchers.
5. Determine the best practice of segregating the role of the Treasurer as related to internal accounting procedures; to order or approve expenditures; nor to access cash.

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Weekly Accounting Procedure

On a daily basis, staff may handle cash and check transactions for the following:

- Fines
- Copy fees
- Book Sale shelf
- Donations

On a seasonal basis, staff may handle cash for

- Association Membership
- Book Sale
- Fund Raisers (plant sale, Words and Wine, raffle tickets)
- Capital Campaign

On a seasonal basis, staff may handle a check for

- Contracted funds (town, county, state)
- Grant funds

Fines – are recorded in the Polaris system. At the end of each day, we run a Polaris generated report to ensure the cash and checks stated in fines match the amount collected. This report is saved on a clipboard in the file cabinet. The money is placed in the blue box and locked in the cabinet. Patrons may opt to pay fines online using a credit/debit card. This transaction is recorded by FLLS. The service charge is deducted and a check is sent to the library monthly.

Copies – When a patron makes a copy, Patron Card 3 is scanned, the amount is put into Polaris and cashed out at that time. Patron is offered a receipt. Polaris then has a record of the copy money collected at the end of each day. The money is then placed in the blue box in the locked file cabinet.

Book Sale Shelf– our perpetual vestibule book sale shelf funds are put into our donation jar. The donation jar sits on the counter. This money is counted at the end of the day and added into Polaris via our Patron 3 card. All donation money is counted and added to the system. Polaris then has a record of the money collected. The money is placed into the blue box in the locked file cabinet. Any money collected for Ovid Historical Society books is kept is not recorded in Polaris, and is kept in an envelope to give to the collection person. The Historical Society is notified within the week to collect the funds.

Donations – are placed in the donation jar and treated the same as the book sale shelf funds.

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Association membership – Funds come via mail or are handed to us. The cash and checks are placed in the blue box in the locked file cabinet. The membership form is placed on a clipboard in front of Rebekah's desk. These funds are recorded via donations in Polaris.

Capital Campaign donations – are received via mail or handed to us. Check and form are placed on a clipboard in front of R's desk. Cash is noted on paperwork handed in, initialed by staff, and placed in the blue zippered bank pouch in the file cabinet. Capital Campaign donations are not logged in Polaris. Copies are made of all checks and filed with the deposit slip in the file cabinet. All Capital Campaign donations are kept together and separate from other library related donations.

Contracted and Grant Checks – are placed in the blue box in file cabinet. The check receipt is stapled to the paper ledger in the binder and a copy of the check is submitted in the weekly financial statement. These are not recorded in Polaris.

Book sale and Fund Raiser Money – is counted at the end of the day and added to Polaris via our Patron 3 card. Polaris then has a record of the money collected. The money is placed in the blue box in the locked file cabinet.

Weekly Bank Deposit –

Each Monday (or more frequently, as needed), the Administrative Assistant prints a report from the Polaris system which will tell them how much cash and checks were collected for each individual line in the specific period of days since the previous deposit. The Assistant counts all of the cash and checks in the blue box, checking to make sure that the funds equal the amount listed on the Polaris report. All of the cash and checks are recorded on a paper ledger in a binder in the backroom with a line for each individual account. The money will equal what Polaris has recorded, excluding any amounts that were not logged, (ex: grant checks). The Capital Campaign donations are made into a separate bank deposit. All association member forms are logged into a spreadsheet. Periodically, the assistant and treasurer compare total amounts. The assistant prepares the bank deposit which is then walked to the bank by a library staff member. The bank deposit receipt is kept in the deposit bag locked in the file cabinet, until it is processed for the weekly financial summary sheet.

Each Monday, the Director prepares the weekly financial summary sheet for the Finance Committee. The amounts written in the ledger is compared to the Polaris report. The deposit slip is submitted to the Finance Committee.

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Paypal –

When a PayPal donation is received, the money is transferred (minus the fee) to the checking account. This transfer, along with associated fee, is logged into the weekly financial summary sheet.

Donation Acknowledgements –

The Administrative Assistant keeps a spreadsheet of Association and Business Members; keeps a spreadsheet of memorial donations; capital campaign spreadsheet. Once a donation is made and the AA records the donation, the paperwork is passed to the Librarian. The Librarian records donations information into our LGL database. A tax acknowledgement letter is generated and placed on the Director's desk to sign and mail. Memorial donation letters are sent and the family of the honoree receives a list of donors and addresses.

Periodically, Capital Campaign spreadsheets are compared with each other; membership donation spreadsheets are compared with hardcopies.

Trustee Role:

Trustees need to establish the roles of Treasurer and Finance Committee in regards to oversight of the weekly accounting procedures.

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