

## Finance Policy

1. The Library Board establishes the financial policy to ensure fiscal accountability and appropriate use of funds in support of the Library's mission and goals, compliance with appropriate Nebraska laws and ordinances, including the City of Nebraska City Budget and Financial Policy and the City Procurement Policy.
2. The Library Director and the Library Board are responsible for conducting the financial and contractual operations for the library (supplying services, materials and other needs) under the approved annual budget.
3. It is the responsibility of the Library Director to manage all monies available to the Morton-James Public Library and to maintain accurate records of all expenditures and receipts.
4. The Library Director shall develop an annual budget in cooperation with the Library Board, City Administrator and appropriate City Commissioner. The annual budget will be submitted to the Library Board and to the City Council for approval.
5. The Morton-James Public Library receives revenue from the City of Nebraska City, the Joy Morton Endowment Fund, Vantine A. James Endowment Fund, the Harry and Grace Moller Library Endowment Fund, Nebraska State Aid, interlibrary loan compensation, library fees, online used book sales, used book events, weeded materials, donations and grants.
  - a. The endowment funds are held with the Nebraska City Community Foundation Fund (NCCFF). Each endowment is invested and earns interest which is recorded in the investment records of the NCCFF. NCCFF determines the amount of payout for each fund. The payout is available to the Library by request. Estimates of the endowment payouts are included in each year's budget.
  - b. A stipulation for use of the endowment fund monies is to be adhered to for all three endowments. The Joy Morton Endowment Fund is to be used for books, the Vantine A. James Endowment Fund is to be used for anything library related and capital expenditures (equipment, building improvements, and repairs) and the Harry and Grace Moller Endowment Fund is to be used for educational and charitable purposes.
  - c. Expenditures from the endowments are approved by the Library Board and the Nebraska City Community Foundation Fund.
  - d. Eligibility for Nebraska State Aid is dependent on the Library filing annual statistics online through Bibliostat Collect. The amount of money available is determined by requirements established by the Nebraska Library Commission and the State of Nebraska.
  - e. Interlibrary loan compensation from the Nebraska Library Commission is held on account for use against professional database charges.
  - f. Fees are deposited in the City's General Fund.
  - g. Monies received from used book events are deposited into donations for the Library's use.
  - h. Weeded materials are offered for purchase as a free will donation.
6. Grants are deposited into the Library's Grants account and will be used in accordance with the requirements for receiving the funds unless no specific commitment is specified.
7. Donations are used at the discretion of the Library Director unless the donor has designated a particular use. The Library Director will consider the wishes of the donor wherever possible as compared with the needs and goals of the Library.

8. Fees for computer and printer copies are reported as taxable copies. Online used book sales are reported as miscellaneous book sales.
9. On a monthly basis, the Library Director shall present at the monthly Library Board meeting a City Treasurer's Report, a list of Monthly Claims, Budget Report and on a quarterly basis a Revenue Report for review and approval.
10. All approved reports and claims will be submitted to the City Clerk for processing.
11. It is the responsibility of the Library Director to forward all invoices and checks to the appropriate vendors in a timely manner. Original invoices and duplicate claim forms are stored at the library. The original claim form and duplicate invoices are maintained at City Hall.
12. The library maintains a credit card for online purchasing of library materials, supplies and any costs associated with programming. A credit card is issued to the Library Director, Assistant Director, and Youth Services Manager.
13. The petty cash system will be managed by a designated staff member and overseen by the Library Director. Deposits are made no less than once every two weeks. Deposit slips are prepared and initialed by the designated staff member and verified and initialed by the Library Director or designee. A deposit breakdown by library revenue accounts is emailed to City Hall. A photocopy of the deposit slip is kept with the deposit breakdown and the original is delivered to City Hall.
  - a. Staff may make small purchases up to \$10 from petty cash with permission from the library director.
  - b. A detailed petty cash spreadsheet is maintained daily for all income and expenses and reconciled when a deposit is made.
14. All monies received as gifts, donations or grants that cannot be spent before September 30 of any given fiscal year. will be held by the City in a carry-over account. Designated library staff will maintain a detailed record of all endowments, donations and grants received annually. A quarterly report will be submitted to the City Finance Commissioner.

Amended May 12, 2021