

DOWNINGTOWN LIBRARY COMPANY FINANCE POLICY

Authority:

The Board of Directors is ultimately responsible for the financial management of the library. The Treasurer is authorized to act on the Board's behalf on financial matters when action is required in advance of a meeting of the Board of Directors.

Procedures:

- The Library Director is responsible for the day-to-day financial management of the organization. The Board authorizes the Library Director to hire and supervise staff and independent consultants, pay bills, receive funds, and maintain bank accounts.
- The normal process for the payment of invoices is set up through the Chester County Library System (CCLS) Business Office. The Library Director is charged with the responsibility to review and approve all invoices that will generate payment through the CCLS Accounting system. For anything that is payable outside of the CCLS system, the Library Director is authorized to sign checks up to the amount of \$500. Anything greater than \$500 requires dual signatures of the Library Director and either the Board President or the Board Treasurer.
- The Board of Directors must authorize all initial contracts for operating the library. Any contract estimated to exceed \$2000 for the contractual period requires a minimum of two bids. The Library Director shall consult with the Treasurer regarding initial contracts.
- The Board of Directors must authorize any contract related to the purpose of generating revenue for the library during the preliminary planning process. The Fundraising Committee shall work with the Library Director through this process.
- Any two of the following persons are required to sign all contracts: Library Director, Board President, Board Vice President, Board Treasurer.
- The Library Director is authorized to manage expenses within the parameters of the over-all approved budget, reporting to the Finance Committee on variances and the reason for these variances.

- The Library Director shall notify the Board Treasurer for review and approval of the need to withdraw from either the cash reserves or the investment account to cover expenses. The Board Treasurer reports to the Board of such withdrawals for final approval.

Adopted January 17, 2019