

Silver Lake Public Library – Procedure

Fiscal

1. Cash Receipts

Staff receives cash or checks and enters in appropriate income source on the Weekly Receipts form and adds receipts to the cash bag. Library director reconciles and deposits receipts at least once a week. Deposit slips and receipts are clearly labeled with appropriate source of income.

2. Mail Receipts

Library director receives cash or checks and makes deposits the same day if possible. Deposit slips and receipts are clearly labeled with appropriate source of income.

3. Returned checks

For an amount less than \$20, no legal action will be taken. If payer has library account, library privileges will be denied until payment is made for the worthless check. For an amount \$20 or greater, the library director will follow the guidelines set forth by K.S.A. 21-3707 and K.S.A. 16a2-501. Service charges assessed for worthless checks will be relative to the amount of the check but not less than \$5.00 or greater than allowed by statute.

4. Cash Outlays

Checks are to be signed by two of the three authorized trustees. Checks are pre-numbered, used in numerical order, and are not pre-signed. No checks written to cash or bearer.

5. Invoices

Invoices are prepared for payment each month by the library director. Invoices are paid by the due dates of each month by the library director. Payments may be made from invoice or statement. Payments are only for items or services authorized through the budget process or grant awards. Payment is recorded by attaching check stub to invoice or statement. Paid invoices and statements will be filed and stored in secure area at the library for the recommended number of years. Selected reoccurring bills will be set up as automatic payments through the bank account. Automatic payments will be set up by the treasurer and limited to utility bills.

6. Credit Card Purchases

Purchases with the credit card are subject to the same procedures as any other expenditure.

7. Payroll

The library director reviews all employee time sheets by the end of each month. The library director prepares the payroll from the approved time sheets by the 5th of each month. Library director makes appropriate Federal and Kansas State withholding tax remittances as well as other payroll reports and payroll liabilities, monthly, quarterly or annually.

8. Petty Cash

Petty cash expenditure record will include description of the items purchased, date of purchase and vendor. The library director reconciles the expenditures when the expenditures have

depleted the fund to a low balance. The library director writes a check to Petty Cash to replace the expended funds. The check must be endorsed by one of the trustees authorized on the checking account.

9. Bank Statement Reconciliation

A library trustee or library staff who does not have authorization to 1) make purchases, 2) prepare invoices, 3) write checks or 4) make deposits should reconcile the bank statements with the check book. Voided checks are sorted and filed with the bank statements.

10. Safety Deposit Box

The president, secretary, treasurer and library director have right to access the safety deposit box. The treasurer and library director are custodians of the keys.

11. Budget Preparation

Budget Committee – the treasurer, library director, Township Trustee and another board member appointed by the president. The following schedule should be followed:

March & April – library director prepares preliminary budget for committee consideration

May – committee submits budget recommendations to Board for approval; Board adopts Budget Resolution and GAAP Waiver Resolution

June – approved budget submitted to the township board

December – final budget adopted; review salaries and adopt new salary schedule

12. Monthly Financial Reports

The library director prepares the previous month's reports for the regular monthly meeting of the Board of Trustees. These reports are included in the consent agenda.

1. Balance Sheet with reconciled Fund Balances
2. Year to date Budget Report
3. Check Registers of each bank account that include the current months checks

13. Annual Audit

The Library Director and the treasurer prepare records and deliver the CPA for audit that will be done each year after April 15.