

Town of Drayton Valley Library Board

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Town of Drayton Valley Library Board

POLICY MANUAL – SECTION 5: Finance

Policy:	5.1	Financial Management & Internal Control	
Approved By:	DVLB Chair - Lyndara Cowper-Smith	Approved:	May 20, 2021
Signature:		Review By:	2024

Introductory Statement

Library Boards are required by legislation to maintain accurate accounting of all financial receipts, payments, credits and liabilities. Boards must complete an annual audit or review of financial statements conducted by an independent accountant and submit the report findings to federal, provincial and municipal governments in compliance with *Section 9* of the *Alberta Libraries Act*.

Preamble

The Library Board was registered in 1980 as a corporate body in the province of Alberta with the adoption of the first Town Bylaw establishing the Board. The most recent iteration of the Bylaw is included in this manual as **Appendix 1-A: Town of Drayton Valley Bylaw 2019-15B**.

The Board is responsible for the library's financial operation including reporting to Federal, Provincial and Municipal levels of government on business activities in accordance with the *Act*.

The Library's fiscal year runs from January 1 to December 31.

Policy

Finance policies and practices are reviewed by the Board's Finance Committee at least once every 3 years to ensure best financial practices.

The Library Director works with the Treasurer and Board to develop policies for revenue management. The Director works with the Manager to develop procedures that comply with Board policies to act as a guide for employees.

Finance policies, procedures and appendices are accessible to staff but only policy documents are accessible to the public; procedures on financial practices are protected from public scrutiny.

The Board maintains bank accounts to sustain operations and fund capital improvement projects. Finance is managed by internal controls independent from municipal administration.

The Treasurer and Finance Committee plan the library's annual operating budget prior to the start of the fiscal year by reviewing estimates of grant revenues, local appropriation returns, operating incomes as well as business costs and payroll expenses.

The Director keep accurate account of all revenues, expenses, debits, credits and liabilities for annual review of financial statements and communicates these documents to the contracted bookkeeper for data entry and generation of monthly tracking reports.

Monthly summary reports are provided to the Board for review.

Town of Drayton Valley Library Board

POLICY MANUAL – SECTION 5: Finance

Policy:	5.1.1	^Financial Responsibility & Accountability^	
Approved By:	DVLB Chair - Lyndara Cowper-Smith	Approved:	May 20, 2021
Signature:		Review By:	2024

Preamble

^This policy is required under the *Libraries Regulation* section 7.1(c). This policy cannot be rescinded. Any amendment to this policy or those referenced herein must be reported to the Municipal Affairs Public Libraries Services Branch in accordance with section 4 of the *Regulation*.

Policy

The Board acts in the public trust and is accountable to municipal councils for providing community residents and visitors with quality Library services, resources and programs within approved budgets. The Board is responsible for ensuring that policies are in place to comply with all relevant statutes, regulations and agreements for maintaining a record of all financial activities.

The Director is accountable to the Board for financial management of the Library's day-to-day operations. The Director is responsible for organizing and filing all relevant financial documents as prescribed by *Risk Management* policies and for reporting to the Board on financial activities.

The Executive Officers and Director are authorized to access information regarding Library bank accounts to verify account volumes but require co-signature to validate cheques and transfer funds out of capital or operational reserve accounts.

The Director:

- acts as the Board's agent in business matters,
- manages expense payments related to day-to-day library operations,
- maintains accurate account of business expenses and revenues,
- communicates information to the Bookkeeper for data entry for generating monthly reports,
- verifies entries in financial reports, correct mis-allocations and track budget progressions,
- delivers summary reports to the Board for review and respond to questions as they arise,
- seeks financial recovery for properties that have been lost, damaged or removed from inventory.

The Treasurer:

- works with the Director to develop financial policies that adhere to legislation.
- reviews monthly bookkeeper reports for irregularities prior to assessment by the Board, and
- reports to the Board on financial activities including pending deadlines for financial action.

The Manager:

- works with the Director to develop procedures and protocols that adhere to policies,
- informs and instruct staff on changes to policies, procedures and protocols.

Staff are responsible for following policies, procedures and protocols; Employees are expected to ask the Director or Manager for clarification of any policy, procedure or protocol.

Town of Drayton Valley Library Board

POLICY MANUAL – SECTION 5: Finance

Policy:	5.1.1.1	^Signing Authority^	
Approved By:	DVLB Chair - Lyndara Cowper-Smith	Approved:	May 20, 2021
Signature:		Review By:	2024

Preamble

^This policy is required under the *Libraries Regulation* section 7.1(c). This policy cannot be rescinded. Any amendment to this policy or those referenced herein must be reported to the Municipal Affairs Public Libraries Services Branch in accordance with section 4 of the *Regulation*.

Policy

The Library Board elects Executive officers annually from among its trustee members to form the Executive Committee. Executive officers, along with the Director, accept added roles and responsibilities for the library’s administration including signing authority for financial and legal matters.

Executive members with signing authority include the:

- **Chair**
- **Vice Chair**
- **Treasurer**
- **Library Director**

Following the election of Executive officers, the Director communicates any change of signing authority to the account administrator at the bank to arrange transition of signing authority as required.

Documents relating to financial or legal matters require two (2) authorizing signatures including:

- Expense cheques,
- Transfer of funds from reserve accounts to operation (chequing or saving) accounts,
- Legal agreements including those with municipalities and contracted employees,
- Library Board meeting minutes (following adoption),
- Annual review (audit) of financial statements,
- Any other document requiring proof of authorization by the Board.

Exceptions where only one signature is required include:

- Annual reports to PLSB,
- Grant applications unless otherwise indicated,
- CRA tax receipts for charitable donations,
- CRA charitable information return *form #T3010B*.

Staff use appropriate forms and reports to accurately record business transactions. All forms related to finance policies require at least two signatures including the employee completing the form and the supervisor verifying or validating the form.

Town of Drayton Valley Library Board

POLICY MANUAL – SECTION 5: Finance

Policy:	5.1.2	Operational Budget Planning	
Approved By:	DVLB Chair - Lyndara Cowper-Smith	Approved:	May 20, 2021
Signature:		Review By:	2024

Policy

The Library Board is a not-for-profit business that relies primarily on municipal appropriations as well as provincial and federal grant funding to sustain operations within a reasonable and finite budget.

The Director provides the Bookkeeper with updates on revenues and expenses for data entry and generation of monthly financial reports. The Director and Treasurer review monthly financial reports and present summary information to the Board for projected budget planning.

The Finance Committee meets before the end of third financial quarter (Q3) to draft a budget plan for the upcoming year guided by projections of actual expenses and revenues from the current fiscal year. Draft budget values are adjusted to account for inflation, cost of doing business, cost of living increase as well as incremental wages, salaries or benefit premiums.

The budget is planned as follows:

1. Calculate an estimate of actual year-end revenues (grants, appropriations, allotments, fees, fines and donations).
2. Calculate an estimate of actual year-end expenses (business operations and payroll).
 - o Adjust values for inflation (cost of doing business, cost of living, wages, salaries or premiums).
 - o Factor significant operational changes or purchases (staffing, public hours or equipment upgrades).
3. Calculate municipal appropriation requests as the difference between projected year-end revenues and expense; the deficit is shared proportionately between municipalities (60: 40 ratio Town: County).

The operational budget does not include major capital improvement projects such as the purchase of shelving, furniture or facility upgrades; capital projects are budgeted separately.

The Treasurer and Director present the draft budget for Board review and approval at the September meeting. Once approved and signed, the budget is forwarded to each municipal council with a letter that defines the appropriation request amount. The letter includes an offer for the Director and Executive Committee to present the library's financial plan.

The budget and request to present must be sent to municipal administrators no later than **October 1**.

The Operating Budget is included as **Appendix 5A: Operating Budget**.

Town of Drayton Valley Library Board

POLICY MANUAL – SECTION 5: Finance

Policy:	5.1.2.1	Operating Grants	
Approved By:	DVLB Chair - Lyndara Cowper-Smith	Approved:	May 20, 2021
Signature:		Review By:	2024

Policy

The provincial government provides public libraries with an annual operating grant based on a per-capita rate for the population served by the Board. The provincial library operating grant amounts for each municipality are posted on the Public Library Services Branch (PLSB) website for boards to reference during budget preparation.

The provincial operating grant is available to boards that meet the requirements; the Board must submit the current year's operating budget, the previous year's annual report and review of financial statements as well as a completed grant application form signed by the Board Chair.

The Director may also apply for federal, provincial or local service support grants to subsidize payroll for seasonal employees. Payroll grants are not guaranteed; volumes may fluctuate from requested amounts depending on available funds and the number of libraries or groups drawing on funds.

The Director explores payroll grant options, requirements and application deadlines for consideration in operational budget planning. Hiring of seasonal employees should, when possible, be postponed until after confirmation of successful grant application.

Community initiative program grants may be available to support library functions such as resource development, technology enhancement, program enrichment or special event planning. Application for community initiative grants must include details on project expenses, timelines for completion, and plans for acknowledgement or continuation following the program. The Director and Treasurer review grant application requirements including cost-share percentage to prepare for seed-budgeting.

The Director maintains accurate account of all spending of grant money for reporting to the funding source at conclusion of the project. Grant spending reports must be submitted on or before specified deadlines.

Town of Drayton Valley Library Board

POLICY MANUAL – SECTION 5: Finance

Policy:	5.1.2.2	Appropriations & Allotments	
Approved By:	DVLB Chair - Lyndara Cowper-Smith	Approved:	May 20, 2021
Signature:		Review By:	2024

Policy

Local municipal governments provide public libraries with appropriation funding to support library services accessible to community residents. The municipal appropriation request amounts are defined by the budget deficit as determined on expected needs to sustain operations.

Distribution of the budget deficit is shared by the municipalities as per agreements referenced in **Policy 1.6**. In the absence of current municipal agreements, the budget deficit is distributed between the municipalities proportionately with the Town of Drayton Valley covering 60% of the deficit and Brazeau County covering 40% of the deficit.

The Board submits a summary of the operating budget along with a letter defining the request for annual appropriation prior to October 1. The Director and Executive Committee may be called to present the budget and appropriation request to council(s).

Allotment funding is separate from appropriations with funding coming from the regional library, rather than municipalities. Yellowhead Regional Library (YRL) provides libraries with an allotment allowance for supplementing library material purchasing at \$0.75 per capita.

Distribution of the allotment is determined by the library board appointed by council; in the absence of a Board, the allotment distribution is determined by the council based on population distribution in proximity to service points within the municipality.

The YRL allotment for Town of Drayton Valley residents is directed by the Board to entirely support Drayton Valley Municipal Library. The allotment for Brazeau County residents is directed by Council to be distributed proportionately to support two libraries within county borders: Drayton Valley Municipal Library receives 70% of allotment funding, Breton Library receives 30% of allotment funding.

The allotment amount is not paid to libraries; rather, allotments are budgeted as an allowance account that is managed by YRL. The Director of Manager determine which purchases are applied to the allotment.

Town of Drayton Valley Library Board

POLICY MANUAL – SECTION 5: Finance

Policy:	5.1.3	Revenue Management		
Approved By:	DVLB Chair - Lyndara Cowper-Smith		Approved:	May 20, 2021
Signature:			Review By:	2024

Policy

The Director and Operations Manager are responsible for informing staff of any change in policies or procedures including training staff in best practices for revenue management and money-handling.

The Manager tracks and accounts for daily business revenue including receipt of grants, donations or other incomes. Business revenue are kept in locked cash boxes to be stored in secured drawers when not in immediate use. Office doors are closed whenever the Director or Manager are out of their offices and are locked when leaving the facility.

Only employees at or above the level of Service Specialist are authorized to access cash boxes or till drawers; Page staff may handle money only under direct supervision. Volunteers are not allowed to handle money on behalf of the Library.

The Specialist assigned to the service desk signs for the Cash Float and is responsible for the cash drawer key during their shift. The cash drawer remains closed when not in immediate use; the drawer is locked, and keys removed whenever staff leave or are called away from the desk.

Staff inform the Manager when patrons request Canadian currency exchange or payment of fines/fees using large denomination bills (>\$100); any such exchange is at the discretion of, and must be witnessed by, the Manager or Director.

Exchange of foreign currency for Canadian currency is not permitted; however, US currency is accepted for payment of fees/ fines at an exchange ratio of \$1.00 USD to \$1.00CAD.

All money transactions are recorded on the digital payment device (Square) to track revenues. Revenue reports must be forwarded to the Bookkeeper for data entry before being filed.

Grant revenues and significant donations (>\$100) are managed by the Director or Manager.

Revenues are deposited into the Operational Savings account on the first business day of each week or whenever on-site cash volumes exceed levels defined in **Appendix 6A: On-Site Cash Values**.

Town of Drayton Valley Library Board

POLICY MANUAL – SECTION 5: Finance

Policy:	5.1.3.1	Money Handling & Security	
Approved By:	DVLB Chair - Lyndara Cowper-Smith	Approved:	May 20, 2021
Signature:		Review By:	2024

Policy

The Director and Manager maintain strict control over access to on-site cash, keeping accurate financial records and scheduling bank deposits.

Cash is accessible only to authorized staff and remain secured when not required or when employees are not in direct view. The employee responsible for opening the library must confirm and sign for the operating float at the beginning of their shift; the employees is accountable for money transacted through the service desk.

Student Page employees are prohibited from accessing cash floats and drawers without written authorization Director and Manager, appropriate training and direct supervision of the Specialist on duty. Volunteers are prohibited from accessing cash floats and drawers and are only allowed to handle money for fundraising activities following security screening procedures.

Best practices for money handling include:

- Storage of cash floats in lockable drawers accessible only to staff.
- Storage of cash drawer and lock-box keys in a separate secure location accessible only to staff.
- Secure cash drawers whenever staff leave the front desk; keys are removed from drawers and kept with the staff member, passed to the relief staff, or stored out of reach and view of the public.
- Count change in view of the customer before placing money in the drawer.
- Place money in the cash drawer immediately after a transaction is complete.
- Notify the Manager or Director to witness transactions involving denominations greater than \$100.
- Store money in lock-boxes in secure drawers at the end of each business day; lock-boxes are stored out of reach and view of the public when not in immediate use.
- Access to lock-boxes only in administration offices with the door closed and window blinds drawn to remain out of view of the public.
- Exchange of cash between cash floats, cash drawer and lock-boxes requires two employees to visually verify accuracy of currency conversion.

Incoming cheque payments received by mail must be brought to the Director's attention to ensure accurate processing of invoices.

Outgoing cheques issued for expense payments are stored in a secure drawer in the Director's office until they are co-signed and ready for distribution.

Town of Drayton Valley Library Board

POLICY MANUAL – SECTION 5: Finance

Policy:	5.1.3.2	Revenue Reports #		
Approved By:	DVLB Chair - Lyndara Cowper-Smith		Approved:	May 20, 2021
Signature:			Review By:	2024

Policy

The employee assigned to service desk duties is responsible for accurately recording all transactions during their shift following **Procedure 5.1.3.2 Revenue Reports**.

No other staff are allowed access to the cash drawer without permission or supervision of the employee accountable for the float.

The morning shift employee assigned to the service desk retrieves a cash float prior to opening the library. The morning shift employee then prepares a new **Form 5.1.3.2 Cash Float & Revenue Report**, verifies, records and signs for the float in the top section of the form. The form remains in the cash drawer for the remainder of the business day.

Co-workers who provide support or relief at the service desk for breaks or shift change assume responsibility for safeguarding and recording transactions through the cash drawer. Relief employees initial the form and note the time period that they assumed responsibility for the cash drawer.

All operational revenues are entered on the Square transaction device including the dollar amount, account type (merchandise purchase, donation, payment of fees or fines) and mode of payment (cash, cheque, debit or credit card).

The Director must be notified of any large volume revenues that require immediate deposit such as grants, appropriation payments or donations over \$1000. Grants and appropriations are managed distinctly from operational revenues and are not entered on the Square transaction device.

The evening shift employee assigned to service desk at the end of the business day reconciles the cash drawer by separating the float and revenues and securing them in designated location for the following business day.

Float and revenue volumes are verified by the Manager, Director or designated supervisor before money is transferred to the cash box.

Discrepancy in float and revenue volumes are investigated by reviewing forms and conferring with employees listed on the **Cash Float & Revenue Report** form(s).

Cash Float & Revenue Report forms are used to verify chain of accountability until all deposits have been reconciled and totals verified by the Director. **Cash Float & Revenue Report** forms are retained for 60 days; the forms are destroyed after account deposits have been recorded and reconciled by the bookkeeper.

Town of Drayton Valley Library Board

POLICY MANUAL – SECTION 5: Finance

Policy:	5.1.3.3	Account Deposits #		
Approved By:	DVLB Chair - Lyndara Cowper-Smith		Approved:	May 20, 2021
Signature:			Review By:	2024

Policy

The library reduces risk of loss or theft by depositing revenues into the bank account at least once per week. Account deposits are prepared on the first business day of each week or when on-site cash volumes exceed the maximum limit defined in **Appendix 6A: On-Site Cash Values**.

The Manager or designated supervisor prepares the weekly account deposit by preparing a new **Form 5.1.3.3 Account Deposit Report** and following **Procedure 5.1.3.3 Account Deposits** to record and verify revenues against the Square transactions statement.

The Square transaction statement is attached to the completed deposit form and brought to the Director for verification and validation before forwarding the report to the Bookkeeper for data entry. The Director notes invoice or CRA receipt numbers in the column adjacent to the applicable entries.

The Director manages large volume revenues such as grants, appropriation payments or donations over \$1000 using a separate **Form 5.1.3.3**.

Only the Director and Manager are authorized to deliver money from the library to the bank for deposit. Deposits must be transported by car. The depositor must drive directly to the bank without detour until the deposit is complete.

Revenue is deposited into the *Operational Savings* account unless otherwise instructed.

Town of Drayton Valley Library Board

POLICY MANUAL – SECTION 5: Finance

Policy:	5.1.3.4	^Donations & Issuing CRA Receipts^	
Approved By:	DVLB Chair - Lyndara Cowper-Smith	Approved:	May 20, 2021
Signature:		Review By:	2024

Preamble

^This policy is required under the *Libraries Regulation* section 7.1(c). This policy cannot be rescinded. Any amendment to this policy or those referenced herein must be reported to the Municipal Affairs Public Libraries Services Branch in accordance with section 4 of the *Regulation*.

Policy

The Library Board is registered as a Canada Revenue Agency (CRA) not-for-profit charity that issues tax receipts for donations over \$25. The Board welcomes and acknowledges donations from individuals, corporations and community support organizations.

Issuing CRA Tax Receipts

CRA tax receipts are produced in duplicate: the original receipt is issued to the donor; the copy receipt remains in the receipt book in sequential order. The receipts include the following information:

- The Library Board's registered charity number: **BN 10705 1252 RR0001**
- Receipt number
- Date that donation was received (month, day, year)
- Date that receipt was issued (month, day, year)
- Donor's name (first and last names)
- Donor's address (mailing address)
- Amount of donation (written in long-hand as well as numeric dollar-value)
- Type of donation (Operational, Capital, Memorial, In-Kind)
- Brief description of donor-specified use (Program name, Project name, Book title, Material type).
- Signature of the Library Director or Treasurer.

CRA tax receipts may be issued at the time of donation or mailed to the donor at year-end.

Monetary Donations

The library accepts monetary donations for operational program support, capital improvement project funding or as memorial gifts in honour of a loved one. Donors may specify how they would like their gifted funds allocated:

- *Operational Donation* for service enhancement or programs: purchasing materials or supplies.
- *Capital Donation* for facility improvement projects: purchasing equipment, furniture, shelving, etc.
- *Memorial Donation* include tribute, endowment or bequest in recognition or memory of loved ones. Donors may provide the name of the person being honoured or memorialized.

Staff issue a CRA tax receipt for cash donations greater than **\$25** and enter the value in the Square transaction device according to type: Operational, Capital or Memorial.

Town of Drayton Valley Library Board

Donors may express a desire to remain anonymous. Staff attach a note to the receipt copy for the Director's attention. The donor is not named in any public acknowledgement; however, they receive a thank you card along with their copy of the CRA receipt.

The Director notifies the Board Executive of memorial donations in excess of **\$1000** where legal consultation may be required.

Donations where the donor does not state a preferred allocation of support (operational or capital) are allocated by the Director to the appropriate program or project.

Book sales are comparable to a fundraiser by selling surplus properties. Money received from property or book sales are recorded as Capital donations but are not eligible for issuing a CRA tax receipt.

Material & In-Kind Donations

The library accepts in-kind donation of resources consistent with current circulating collection formats. In-kind donations may include gifts of artwork, furniture or other properties with assessable value.

The Director issues a CRA tax receipt for significant in-kind donations with an assessed value over **\$250**. The Director arranges appraisal of the gift and speak with the donor about conditions for receipt and recognition expectations. Donors have the right to refuse a receipt or public recognition.

All donated materials and resources become property of the Board; the library reserves the right to display or dispose of donated materials in whatever manner is appropriate

In-kind donations may be refused due to age, condition, or issues identified during assessment. The Library does not accept donation of encyclopedia sets, vinyl records, VHS tapes, audio cassettes, student text books, back-dated newspapers, old-issue magazines, Reader's Digest or other condensed material.

Town of Drayton Valley Library Board

POLICY MANUAL – SECTION 5: Finance

Policy:	5.1.4	^Operational Expense Management^	
Approved By:	DVLB Chair - Lyndara Cowper-Smith	Approved:	May 20, 2021
Signature:		Review By:	2024

Preamble

^ This policy is required under the *Libraries Regulation* section 7.2(b). This policy cannot be rescinded. Any amendment to this policy or those referenced herein must be reported to the Municipal Affairs Public Libraries Services Branch in accordance with section 4 of the *Regulation*.

Policy

The Director is authorized by the Board to manage daily operational expenses and developing policies, procedures and protocols to track operating costs.

The Director monitors budget progression and notifies the Board of significant unexpected expenses. The Director obtains competitive quotes for any unexpected operational expenses exceeding \$5000 and presents options to the Board for rendering an unbiased decision.

The Board provides the Director with a credit card that has a \$5000 spending limit for operational expense purchasing. The Director is listed and named on the credit card account and is the only person authorized to expense items on credit. Credit card payment receipts are retained until they are reconciled on the credit card statement. The reconciled statement, along with the receipts, are submitted to the Bookkeeper for data entry noting the accounts to be expensed.

All incoming invoices received by mail are delivered to the Director for review prior to handover to the Bookkeeper. Invoices are marked to identify specific budget expense lines for data entry.

The Bookkeeper delivers cheques to the Director for verification and validation by two authorized signatures. Cheques are delivered in person or by mail within 24 hours of endorsement.

Town of Drayton Valley Library Board

POLICY MANUAL – SECTION 5: Finance

Policy:	5.1.4.1	Cheque Processing #		
Approved By:	DVLB Chair - Lyndara Cowper-Smith		Approved:	May 20, 2021
Signature:			Review By:	2024

Policy

All expenses are paid using the Chequing account.

The Director receives incoming expense documents such as bills, invoices, statements, receipts or reimbursements and submits them to the Bookkeeper for payment processing. The Director may submit cheque requests without supporting documents using **Form 5.1.4.1 Cheque Request**.

The Director reviews documents with the Bookkeeper and notes budget expense lines prior to cheque creation and data entry in the accounting software.

The Bookkeeper delivers prepared cheques along with accompanying documents for processing and filing. The Bookkeeper advises the Director when transfers are required to maintain account balances for covering cheque payments and avoid service fees.

Cheques awaiting signature are stored in the Director's office in a secure drawer. The Director is responsible for ensuring cheques are signed and distributed in a timely manner.

All cheques require a minimum of two authorizing signatures to validate the payment. Whenever possible, cheques should be signed by the Treasurer and Director.

Expense payments cannot be authorized or signed by the individual named on the cheque; two alternate Executive Committee signatures are required.

The individuals signing the cheque also initial and date the cheque stub. The Director attaches the cheque stub to the corroborating document(s) before filing the hard copy in expense tracking folders.

The Director distributes signed cheque payments by mail or hand-delivery for local payees.

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POLICY MANUAL – SECTION 5: Finance

Policy:	5.1.4.2	Payroll Processing		
Approved By:	DVLB Chair - Lyndara Cowper-Smith		Approved:	May 20, 2021
Signature:			Review By:	2024

Policy

The Manager prepares staffing shift schedules to sustain public services within the budgeted number of hours for each employee unless additional shift hours are approved by the Director.

The Manager collects employee timesheets on a bi-weekly schedule. The Manager corroborates and records the employee's worked hours, sick time, statutory holiday pay, time in-lieu, vacation hours and paid or unpaid leave before signing and submitting the timesheet forms to the Director.

The Director verifies that timesheets have been properly completed with payable hours clearly indicated before submitting them to the Bookkeeper for payroll processing and data entry in the accounting software.

The Director informs the Bookkeeper of any considerations that affect payroll including change in wage or benefits, leave of absence, retirements or termination or employment.

Payroll is deposited directly into employee bank accounts on a bi-weekly schedule. The Bookkeeper prepares bi-weekly Electronic Fund Transfer (EFT) payments and transmits payroll summary reports to the Director ahead of the payroll release deadline. The Director forwards the payroll summary to Executive Committee members for verifying payroll amounts prior to EFT release.

Payroll summaries include the employee's wage, payable hours and employer benefit contributions less taxable benefits to indicate gross pay. Deductions are also listed including Canada Pension Plan (CPP), Employment Insurance (EI), tax and employee benefit contributions to indicate net pay.

The director provides employees with a copy of the timesheet as well as the payroll summary prior to the scheduled payday. Employees are expected to notify the Director of any payroll errors or issues to allow for correction in subsequent pay cycles.

Payroll release requires a minimum of two authorizing officers to validate the net pay values for each employee prior to releasing payment. Whenever possible, the release should be managed by the Treasurer and Director.

Authority to access on-line EFT payroll services includes:

- **Library Director:** *Super-User* (ability to perform all EFT Payroll functions with no limitations),
- **Bookkeeper:** *Data Entry* (ability to create EFT Payroll files and view data; does not have authority to release files),
- **Board Treasurer, Chair and Vice Chair:** *Release Only* (ability to release EFT Payroll files once created by a separate user),
- **Optional - Manager:** *Read Only* (*the Manager may be granted temporary authorization to review EFT payroll files if the Director is expected to be away during one or more payroll cycles to verify amounts and coordinate release by Executive officers listed above*).

EFT payroll is set up to automatically debit from the Board's chequing account.

Town of Drayton Valley Library Board

POLICY MANUAL – SECTION 5: Finance

Policy:	5.1.4.3	Account Transfers & Transactions	
Approved By:	DVLB Chair - Lyndara Cowper-Smith	Approved:	May 20, 2021
Signature:		Review By:	2024

Policy

The Director and Treasurer are authorized to monitor and manage bank accounts, ensuring that volumes are enough to sustain operations, cover expenses and reduce service fees.

The Bookkeeper notifies the Director when money transfers are required to cover projected expenses; the Director is responsible for transferring funds from the *Savings* account to the *Chequing* account.

The Director is authorized to pay bills, statements or invoices electronically for operating expenses where delay in processing may result in penalties or interest charges including, but not limited to:

- Telephone bills
- Credit card statements
- Canada Revenue Agency (CRA) invoices

The Board keeps *Operational Reserve* and *Capital Reserve* accounts. Transfers from *Reserve* accounts requires Board resolution indicating which *Reserve* account is to be debited, which account is to be credited and the volume of funds to be transferred.

Town of Drayton Valley Library Board

POLICY MANUAL – SECTION 5: Finance

Policy:	5.1.4.4	General Operational Purchasing	
Approved By:	DVLB Chair - Lyndara Cowper-Smith	Approved:	May 20, 2021
Signature:		Review By:	2024

Policy

The Director controls all operational expense purchasing; supply or material purchase orders may be delegated to the Manager or Collection Specialist, but all payments by cheque or credit card require Director authorization.

The Library deals with preferred vendors for general material, service or supply purchasing; alternative vendors are considered after cost-comparison of quotes for similar or same products.

Approval of material, service or supply purchasing is based on budget impact:

- **Purchases over \$5000:** minimum of 3 cost-comparative product or vendor quotes required. Board approval is required prior to purchasing.
- **Purchases over \$1000 but under \$4999:** minimum of 2 cost-comparative product or vendor quotes recommended; Board approval is not required but quotes are presented to substantiate purchase decisions.
- **Purchases under \$1000:** No cost-comparative product or vendor quotes required.

Purchase of program or office supplies **over \$25** require pre-approval from the Director. Employees are reimbursed for approved expenses; purchases that have not been pre-approved may be ineligible from reimbursement.

Purchase of program or office supplies **under \$25** do not require pre-approval from the Director. Employees are reimbursed from petty cash.

Town of Drayton Valley Library Board

POLICY MANUAL – SECTION 5: Finance

Policy:	5.1.4.5	^Expense & Travel Reimbursement^ #	
Approved By:	DVLB Chair - Lyndara Cowper-Smith	Approved:	May 20, 2021
Signature:		Review By:	2024

Preamble

^ This policy is required under the *Libraries Regulation* section 7.1(c). This policy cannot be rescinded. Any amendment to this policy or those referenced herein must be reported to the Municipal Affairs Public Libraries Services Branch in accordance with section 4 of the *Regulation*.

Policy

Employees and trustees are reimbursed for personal expenses acquired on behalf of the library; Expenses over \$25 require the Director’s pre-approval. A valid receipt or other proof of payment must be provided to qualify for reimbursement.

General Reimbursements

Employees or trustees requesting refund for personal expenses must complete and submit **Form 5.1.4.5 Expense Reimbursement** within 3 months of the date indicated on the receipt; expense claims older than 3 months may not be approved.

Employee claims are reviewed and approved by the Director. Director and Trustee claim forms are reviewed and approved by the Board Chair. Board Chair claim forms are reviewed and approved by the Treasurer as per **Procedure 5.1.4.5 Expense & Travel Reimbursement**.

Travel Reimbursements

Travel reimbursement allowance is calculated at **\$0.50 per kilometer** to a maximum of 500 kilometers (round-trip) or \$250 for any one journey. Travel allowance rates are reassessed at least once every 5 years using the Government of Alberta’s recommended reimbursement rate.

Travel allowance includes reimbursement for fuel, vehicle maintenance and covers the employee’s wage while travelling. Employees who claim travel reimbursement do not include travel time on payroll timesheets. Employees who travel as carpool passengers do not receive travel reimbursement; rather, they are paid their regular wage for time accrued during the trip.

Example: An employee who drives from Drayton Valley to Spruce Grove (115 km one-way drive time of 70 min.) and back to attend training is reimbursed: 330 km x \$0.50/ km = **\$115** includes the cost of fuel, vehicle incidentals and estimated 2.25 hours wage; the employee does not record the 2.25-hour drive-time on their payroll time sheet.

Employee(s) riding as passenger(s) in the vehicle record the 2.25-hour travel-time on their payroll timesheet(s).

Travel reimbursement rates can be adjusted by the Board when:

- The claimant chooses not to carpool when this option is available,
- The claimant’s travel route deviates for personal errands outside of the direct to-from route.

Employees assigned to outreach library service within the Town of Drayton Valley receive a flat-rate stipend as arranged by the Director.

Town of Drayton Valley Library Board

Meal & Hospitality Reimbursements

Claimants are reimbursed for meals only when the travel-time exceeds 3 hours. Meal reimbursement rates are scaled according to the time of day and whether a receipt is submitted with the claim.

Meal Reimbursements:	Without Receipt	With Receipt
Breakfast (7 am-9 am)	\$10	Max \$15
Lunch (11:30 am-1:30 pm)	\$15	Max \$30
Supper (5 pm-7 pm)	\$25	Max \$40

Meal reimbursement does not include alcoholic beverages.

The Director Hotel arranges overnight accommodations for trustees and staff at conferences to secure group rates. Trustees and staff may make alternate arrangements only when the cost is less than the nightly rate arranged by the Director.

Municipalities may arrange and pay for accommodations for Board-assigned council members attending conferences or events on behalf of the library.

Town of Drayton Valley Library Board

POLICY MANUAL – SECTION 5: Finance

Policy:	5.1.4.6	Petty Cash Reimbursement #	
Approved By:	DVLB Chair - Lyndara Cowper-Smith	Approved:	May 20, 2021
Signature:		Review By:	2024

Policy

The library maintains a separate cash float on-site to reimbursement employees for minor purchases in support of operational or program supplies.

The Director manages petty cash reimbursements and monitors spending to replenish the float when the volume is diminished according to *Procedure 5.1.4.6 Petty Cash Reimbursement*.

A claimant cannot manage their own reimbursements. The Manager or other senior employee process petty cash claims submitted by the Director.

Petty cash is used to reimburse incidental expenses up to a maximum of \$50:

- Employees are authorized to claim incidental purchases under \$25 without prior approval.
- Employees must get prior approval from the Director to claim purchases over \$25.
- Employees are required to submit *Form 5.1.4.5 Expense Reimbursement* for any claims over \$50.

Claimants must provide the Director with a receipt as proof of purchase to receive reimbursement. The receipt must include the date of purchase, item(s) cost, applicable GST, and total cost.

The Director uses *Form 5.1.4.6 Petty Cash Reimbursement* to record the claimant name, receipt details, applicable account number(s), brief purchase description, total claim amount, and date of reimbursement. The Director and employee initial the form to verify the claim is reconciled. The Director initials the receipt with a note to indicate the applicable account number debited and attaches the receipt to the form.

The form is stored in the petty cash lock-box along with all receipts until float replenishment is required. The form is submitted to the Bookkeeper for data entry along with all receipts.

Petty Cash reimbursement claims submitted beyond three (3) months from the date of expense may not be processed.

Town of Drayton Valley Library Board

POLICY MANUAL – SECTION 5: Finance

Policy:	5.1.5	Properties & Penalties Management	
Approved By:	DVLB Chair - Lyndara Cowper-Smith	Approved:	May 20, 2021
Signature:		Review By:	2024

Policy

The Board purchases collection items and other physical resources in the public trust for lending to library users. Collection items, equipment and furnishings are property assets of the Board.

Any person who damages or deliberately retains library material or properties is guilty of an offense under *section 41.2* of the *Alberta Libraries Act* and may impose fines in accordance with *section 42.2* of the *Act*.

Library staff manage recovery of fines for late, lost and damaged items linked to library borrowing by users registered at Drayton Valley Municipal Library.

the Director has authority to pursue financial recovery for lost or severely damaged items through a collection agency.

The Director manages recovery of fines for lost and damaged items linked to library borrowing by users registered at libraries other than Drayton Valley Municipal Library. The Director also acts on behalf of the Board to sell or dispose of library-owned properties and assets.

Town of Drayton Valley Library Board

POLICY MANUAL – SECTION 5: Finance

Policy:	5.1.5.1	Fees & Fines		
Approved By:	DVLB Chair - Lyndara Cowper-Smith		Approved:	May 20, 2021
Signature:			Review By:	2024

Policy

A public library exists to serve the community and is based on the concept of sharing resources. When one person violates that principle by retaining materials beyond the established limits, that person takes unfair advantage of the community and public resources.

Fees are charged for minor infractions of borrowing limits; fines are charged for replacement cost for lost or damaged public resources.

Library users are responsible for items borrowed on their library card. The primary 'Adult' cardholder is accountable for fees and fines on 'Juvenile' cards linked to their account. The person identified on a 'Family' card is responsible for all items borrowed on the account.

Service Specialists assess each item for pre-existing damage and completeness at the time of check-out and issue a printed receipt listing borrowed items and the due date for return. Staff note minor damage in the item record; staff will not circulate items with significant damage. Items are re-assessed at check-in to identify damage that was not evident prior to lending.

Loan periods are defined in [Appendix 1-I: Drayton Valley Library Board Bylaw, Schedule C](#).

Borrowers have 24/7 on-line access to TRACpac to track and renew items checked out on their account. Notices are automatically generated as follows:

- *Coming Due notice sent:* 3 days prior to item due date.
- *First Overdue notice sent:* 7 days after item due date.
- *Second Overdue notice sent:* 21 days after item due date.
- *Billing notice sent:* 45 days after item due date.

Borrowers are responsible for returning or renewing materials prior to the due date. Overdue fees accumulate daily according to [Bylaw, Schedule D](#).

Service Specialists run daily overdue item reports and verify that items are not on shelf. Item record status is changed to 'Lost' five weeks past the due date.

Late fees may be waived or reduced once an item has been returned in good condition.

The Director, or designated staff, runs monthly 'Lost Items' reports and verifies that items are not on shelf before following up with borrowers. Item records indicate the material purchase cost; fines for lost or severely damaged items are charged at the cost of replacing the item.

Lost fines cannot be waived until the item has been returned in good condition. Returned items that are severely damaged or were previously listed as lost are brought to the Director's attention.

Invoices received from other libraries for damage or loss by ADV borrowers must be paid within 30 days. The Director contacts the ADV borrower to attempt recovery of property or fines prior to the invoice payment deadline. Once an invoice has been paid, the owning library deletes the item record according to [Appendix 1-D: TRAC Operational Guidelines](#); processed fine payment cannot be refunded or waived.

Town of Drayton Valley Library Board

POLICY MANUAL – SECTION 5: Finance

Policy:	5.1.5.2	Collection Agency #	
Approved By:	DVLB Chair - Lyndara Cowper-Smith	Approved:	May 20, 2021
Signature:		Review By:	2024

Policy

The Director manages borrower accounts with significant fines to seek financial recovery for property loss. The library retains the services of a collection agent to assist in the recovery of truant patron account fines ([Appendix 3-Ac](#)).

Borrower accounts registered at Drayton Valley Library with replacement fines **over \$50** that have not been reconciled within three months are issued a final notice to clear the truant account within five business days.

Accounts not reconciled by the final notice deadline are submitted by the Director to the collection agent according to [Procedure 5.1.5.2 Collection Agency](#).

Overdue fees are not included in collection agency submissions.

Accounts that owe **over \$100** are reported by the collection agent to a credit bureau.

Once an item has been submitted to the collection agent the item record is deleted (written off) from inventory:

- Items are not accepted in return for waiving replacement cost; items that have been written off and later returned may be accepted as a donation and re-acquisitioned.
- Refunds are not issued for lost and found items after submitting to the collection agent (except at the Director's discretion on a case by case basis).
- Fines should be paid to the collection agent, not to the library; however, fines received by the library for deleted items must be reported to the collection agent:
 - The collection agent issues a cheque to pay a percentage of the money collected on the library's behalf.
 - The collection agent issues an invoice for a percentage of money collected by the library.

Library borrower privileges are restored once payment has been received. Lending limits may be imposed on a borrower's account for repeated infractions at the Director's discretion.

Town of Drayton Valley Library Board

POLICY MANUAL – SECTION 5: Finance

Policy:	5.1.5.3	Invoicing #	
Approved By:	DVLB Chair - Lyndara Cowper-Smith	Approved:	May 20, 2021
Signature:		Review By:	2024

Policy

The Director issues invoices to seek reimbursement for collection items or other assets that have been lost, damaged or sold. Invoices may also be issued to businesses for special services or to municipalities to request appropriation installment payment.

Invoice numbering format indicates the year of issue and the assigned number in sequence.

The Director manages invoice payments according to *Procedure 5.1.5.3 Invoicing*.

Invoicing for Lost & Damaged Items

The Director reviews the monthly ‘Lost Items’ report to identify items transacted through other libraries. The Director verifies that items are not on shelf before issuing an invoice for the cost of item replacement using the format shown in **Appendix 5B: Invoice Sample**.

Invoices include item record details for the receiving library to investigate the loss or damage by their patron. Libraries have 30 days to seek item recovery or process payment.

- The invoice is watermarked as “Void” once the item is returned in good condition; the item is checked in and returned to circulating inventory
- The invoice is watermarked as “Paid” once payment has been received; the item record is deleted from inventory.

Invoicing for Services & Appropriations

Invoices are issued to partner libraries or other businesses for shared cost services where the initial expense was incurred by Drayton Valley Library. The invoice includes a calculation of the shared portion of cost including GST for services where applicable.

Invoices are issued to municipalities for quarterly appropriation payments in the absence of an agreement that defines a payment schedule.

Town of Drayton Valley Library Board

POLICY MANUAL – SECTION 5: Finance

Policy:	5.1.6	Capital Project Management	
Approved By:	DVLB Chair - Lyndara Cowper-Smith	Approved:	May 20, 2021
Signature:		Review By:	2024

Policy

Capital improvement projects fall outside of the library's operating budget and can only be considered when funds are available in the Board's Capital Reserve account.

The Director consults with the Manager to identify real or perceived needs for upgrade of equipment, furnishings or other properties to improve facilities, staff workflows or service outcomes.

The Director informs the Board of capital improvement projects under consideration for the following year and waits for a directive to begin further project planning. The Director reviews project funding with the Treasurer including grants, donations, partnerships or fundraising options.

The Director gathers quotes from vendors for cost-comparison on large expense items. Vendors are selected based on local availability, reliability or reputation. Products are selected based on versatility, durability or match to existing library furnishings or fixtures.

Project planning requires quotes based on estimated property cost:

- **Properties or Services between \$1000 - \$4999:** minimum of 2 cost-comparative vendor quotes.
- **Purchases over \$5000:** minimum of 3 cost-comparative product or vendor quotes are required.

The Director and Treasurer present the Board with information on project including estimated costs, available seed funds and potential supplemental grants.

Grant applications require details including, but not limited to, project title, description of benefits to the library and community, product quotes, shipping, installation, labour or volunteer time and an estimated date for project completion. Grant applications must be reviewed and approved by the Executive Committee before the submission deadline.

Capital project purchasing must wait until secure funding sources are in place to support the project.

Capital grant money is deposited into the Capital Reserve account until invoices are processed for payment of goods and services. Invoices are paid from the library's Chequing account; the Director transfers funds between accounts. Receipts for capital project payments made using the Library's business credit card must clearly identify the project title for the data entry and grant reporting.

The Director creates a project folder to include photocopies of the following documents:

- Grant application and any related correspondences.
- Grant cheque received in support of the project.
- Paid invoices or statements with attached cheque stubs.
- Financial reports tracking all project spending.
- Annual review or audit of financial statements.
- Thank you letters to community partners, donors, volunteers or project contributors.
- Final report submitted to the granting authority upon project completion.

The project folder is retained for seven years.

Town of Drayton Valley Library Board

POLICY MANUAL – SECTION 5: Finance

Policy:	5.2	Financial Reporting & Data Management	
Approved By:	DVLB Chair - Lyndara Cowper-Smith	Approved:	June 17, 2021
Signature:		Review By:	2024

Introductory Statement

Library boards are required to maintain accurate account of all business dealings and submit an annual review of financial statements to federal, provincial and municipal governments in accordance with *Section 9* of the *Alberta Libraries Act*. Failure to report may result in loss of operational funding or grant support from the various levels of government.

Policy

The Board upholds high-standard in business practice including record keeping and data management for reporting on financial activities.

The Director communicates with the Bookkeeper and Treasurer to maintain complete, accurate record of all income and expenses related to the library's daily business operations and capital improvement projects.

The Director consults with the Bookkeeper to establish a list of budget-related accounts to be used for tracking assets, liabilities, equity, revenues and expenses as listed in **Appendix 5C Account Information**.

The Director reviews all incoming or outgoing finance-related documents adding account notation before communicating information to the Bookkeeper. The Bookkeeper enters data into accounting software to generate monthly financial reports for review by the Treasurer.

The Treasurer and Director provide the Board with a monthly financial summary report, respond to questions and advise financial actions.

The Director and Treasurer coordinate with the accountant for conducting the library's annual review or audit of financial statements for review by the Board prior to submitting reports to the various levels of government.

Town of Drayton Valley Library Board

POLICY MANUAL – SECTION 5: Finance

Policy:	5.2.1	Bookkeeping & Financial Reports	
Approved By:	DVLB Chair - Lyndara Cowper-Smith	Approved:	June 17, 2021
Signature:		Review By:	2024

Policy

The Board employs a Bookkeeper on contract to assist the Director in maintaining accurate financial records, generating monthly progress reports and recommending actions or processes to maximize the library's business potential.

The Bookkeeper agreement ([Appendix 3A-b: Bookkeeper Service Contract](#)) includes detailed description of responsibilities, expectations, remuneration, communication strategy and an oath of confidentiality. The Bookkeeper uses an accounting software platform that meets current practice expectation; accounting software updates are provided at the Board expenses.

The Director and Bookkeeper coordinate a schedule for exchange of financial documents, monthly report submission, payroll processing and account transfers.

The Director and Treasurer review monthly financial reports for accuracy or required amendment prior to presenting a summary to the Board.

The Treasurer, Bookkeeper and Director coordinate transfer of documents to the Accountant and respond to any questions for completing the annual financial review or audit.

Town of Drayton Valley Library Board

POLICY MANUAL – SECTION 5: Finance

Policy:	5.2.1.1	Financial Reviews & Audits #		
Approved By:	DVLB Chair - Lyndara Cowper-Smith		Approved:	June 17, 2021
Signature:			Review By:	2024

Policy

The Board is required to conduct and submit an annual review of financial statements in compliance with *section 9* of the *Libraries Act*. The accountant conducting the annual review or audit must be at arms' length from the Board and must meet the qualification approval from Town Council prior to entering into a service agreement ([Appendix 3A-a: Accountant Engagement](#)).

The Board's fiscal reporting year is defined as January 1st to December 31st. An annual schedule for financial actions is included in [Appendix 5D Timeline for Financial Reporting](#).

The Director assists the Accountant in reviewing the library's business practices each calendar year by following [Procedure 5.2.1.1 Financial Reviews & Audits](#). The Accountant is instructed to conduct either a review of financial statements or a full audit of financial practices.

A full audit is recommended at least once every 5-7 years.

The Director communicates all required information to the Accountant and is the primary contact for responding to questions on financial practices. The Accountant is also provided contacts information for the Treasurer and Bookkeeper to corroborate details during audit investigation.

Hard copies of financial documents are not to be removed from the premises or released to anyone other than the Bookkeeper without approval from both the Director and Treasurer.

Documents must be transported by car. The Director or Treasurer must drive directly to the Accountant's without detour until transfer of documents is complete and confirmed by signature.

The Accountant informs the Director once the review or audit is complete. The Treasurer and Director review the draft document with the Finance Committee to identify issues. The Treasurer may request the Accountant attend the Committee or Board meeting to answer questions.

The review or audit requires 2/3 majority approval from the Board. Original copy of the signed review or audit is retained for permanent archive; copies of the signed document are forwarded to offices as required by legislation or agreement.

Town of Drayton Valley Library Board

POLICY MANUAL – SECTION 5: Finance

Policy:	5.2.1.2	CRA Reporting	
Approved By:	DVLB Chair - Lyndara Cowper-Smith	Approved:	June 17, 2021
Signature:		Review By:	2024

Policy

The Board was registered by the Canada Revenue Agency (CRA) in January 1, 1980 under the name Drayton Valley Municipal Library Board, business number 107051252. The Director is authorized to represent the Board as a client for on-line filing.

Goods & Services Tax (GST) Reporting

CRA classifies the Board as a *para-municipality (RT0001)*, a designation that allows for 100% of GST tax rebate. The Bookkeeper informs the Director of the refund amount at the end of the second and fourth quarter of each fiscal year. The Director, or Treasurer, file for rebate on-line and report the amount to the Board. The refund is deposited in the Capital Reserve account to seed improvement project grants and purchasing unless otherwise directed by the Board.

Charities Directorate Reporting

CRA lists the Board as a charitable organization (*RR0001*) that can receive and issue receipts for donations. CRA's Charities Directorate requires the Board to file an Annual Charity Return. The return is completed by the Director unless otherwise designated to the Treasurer or Accountant using data from the completed annual review or audit of financial statements. The Board is also required to submit any change to the Bylaw in order to maintain charitable status.

Payroll Remittance Reporting

CRA maintains two accounts for reporting and submitting remittance payments for payroll deductions. The Board applies annually for the Employee Insurance Premium Reduction Program (EI-PRP) on any employee that receives short term disability benefits coverage.

Employees who work more than 21 hours per week on average, qualify for health benefits and EI-PRP; payroll remittance for these employees is reported under *RP0001*.

Employees who work less than 21 hours per week on average, do not qualify for health benefits, therefore they are not included in the EI-PRP; payroll remittance for these employees is reported under *RP0002*.

The Bookkeeper tracks all payroll deductions and informs the Director of the remittance amounts to be paid for each RP account. The Bookkeeper also ensures the employees receive their percentage of remittance at the end of the fiscal year in accordance with the requirements of EI-PRP.

Town of Drayton Valley Library Board

APPENDICES – SECTION 5: Financial

Appendix:	5-A	Operating Budget
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This tabbed page is retained in the manual as an introductory place keeper immediately prior to the document.

The budget is prepared by the Finance Committee using the Bookkeeper’s monthly financial reports to extrapolate year-end revenue and expense actuals. Preliminary planning budgets will be identified with a “DRAFT” watermark.

The Board reviews the “DRAFT” budget and recommends adjustments prior to the end of the third fiscal quarter (Q3). The budget must be submitted to the municipalities before October 1 according to agreements with Town and County.

Once approved by the Board, the Director will remove the “DRAFT” watermark and print the budget for signature by the Board Chair; any preliminary draft versions of the budget used for planning will be destroyed.

The Board-Approved Operating Budget is attached.

Town of Drayton Valley Library Board

APPENDICES – SECTION 5: Financial

Appendix:	5-B	Invoice Sample
Last Reviewed:	Nov 2020	



Address

xxx
xxx

Invoice

#yy-xxx
Date

Re:	Lost / Damaged Item	
Details:	Ti: xxx Au: xxx List price: \$xxx Last Borrower: xxx Circulating Library: xxx Date: xxx	\$xxx
Notes:	Details of damage, or communication between librarians.	
		\$xxx

Please remit payment **within 30 days**. Make all checks payable to:

Drayton Valley Municipal Library
P.O. Box 6240 Stn. Main
Drayton Valley, AB T7A 1R7

Contact: Doug Whistance-Smith, 780-514-2722 dwhistancesmith@draytonvalleylibrary.ca

Thank you!

Town of Drayton Valley Library Board

APPENDICES – SECTION 5: Financial

Appendix:	5-C	Account Information
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This tabbed page is retained in the manual as an introductory place keeper immediately prior to the accounts document.

Library and Archives Canada identifies Drayton Valley Municipal Library with the symbol **ADV**.

The Library Board is identified as a legal entity by the Canada Revenue Agency as **Drayton Valley Municipal Library Board (BN 10705 1252)** with Charity status **(RR0001)**. The Board is considered a “para-municipality” for tax purposes **(RT0001)**. Payroll is reported for employees that work more than 21 hours per week using **(RP0001)** and for employees that work less than 20 hours per week using **(RP0002)**.

The Board is identified as a legal entity by the Minister of Municipal Affairs as the **Town of Drayton Valley Library Board**.

Bank account information has been redacted from this appendix for security reasons.

Bookkeeping chart of accounts may change from year to year. The current Chart of Accounts is attached to this Appendix.

Town of Drayton Valley Library Board

APPENDICES – SECTION 5: Financial

Appendix:	5-D	Timeline of Financial Actions
Last Reviewed:	Jun 2021	

First Quarter (Q1) Year-End Review & CRA Receipts

January:

- Week 1-3:** Collect all statistical data for Annual Report (*Director / Manager*).
- Week 3-4:** Wrap up and collate financial documents for year-end (*Director / Bookkeeper*).
- Week 3-4:** T4 Filing – distribute to staff at next payroll (*Bookkeeper / Director*).
- Week 3-4:** Summer Student payroll grant application(s) (*Director*).
- Week 4-5:** All financials to accountant for audit. **Deadline Jan. 31** (*Director / Treasurer*).

February:

- Week 1-2:** Review and issue CRA donor receipts from previous year (*Director / Treasurer*).
- Week 2-3:** File GST Rebate for Q3-4. (*Director / Bookkeeper*). *Deposit to Capital Reserve*.
- Week 3-4:** Annual Report to PLSB for Operating Grant. **Deadline Feb. 28** (*Board Motion*).

March:

- Week 1-2:** Invoice Municipalities for Q2 of Local Appropriation (*Director*).
- Week 1-2:** Advertise SRC Summer Student grant position (*Director / Manager*).
- Week 2-3:** Lost-items: accounts to collection agent from previous year's Q4 (*Director*).
- Week 2-3:** Review draft audit/ financial statements (*Director / Treasurer*).
- Week 3-4:** Approve audit/ financial statements (*Board Motion*)
 - 1) Once approved: inform *Accountant* to remove "Draft" from document (*Director*).
 - 2) Sign document final version of document (*Chair / Treasurer / Director*).
 - 3) Send data to *Bookkeeper* and file (*Director*).
 - 4) Scan signed document and save in e-folders (*Director*).
 - 5) Determine how much Unrestricted Surplus to transfer to reserve accounts (*Board Motion*).
Account transfers to reserves requires 2 Executive (*Chair / Treasurer / Director*).

Second Quarter (Q2) Government Reporting

April:

- Week 1-4:** Submit completed audit/ review to municipalities: Town, Brazeau & Parkland County, and any other funding or grant organizations (*Director*).
- Week 1-4:** CRA Charity Return. **Deadline Jun. 1** (*Director*).
- Week 1-4:** PLSB Operating Grant application with audit & budget. **Deadline Jun. 15** (*Director*).
- Week 2-3:** Hire SRC Coordinator (grant funded position) (*Director / Manager*).
- Week 3-4:** Submit SRC Coordinator grant forms for employee enrollment (*Director / SRC*).

May:

- Week 1-4:** Inventory collections and properties for Insurance assessment (*Director / Manager*).

June:

- Week 1-2:** Invoice Municipalities for Q3 of Local Appropriation (*Director*).
- Week 2-3:** Lost-items: accounts to collection agent from Q1 (*Director*).

Town of Drayton Valley Library Board

Third Quarter (Q3) Budget Planning

July:

- Week 1-4: Capital project budget planning w/ vendor quotes (*Director*).
- Week 1-4: Review end of Q2 reports - Operational budget projections (*Director*).
- Week 1-4: Review AB Gov. travel reimbursement for upcoming year (*Director*).
- Week 1-4: Review Employee wage-grid for upcoming year (*Director*).
- Week 1-4: Review Professional Service contracts for upcoming year (*Director*).

August:

- Week 1-4: Prepare draft budget using reports of current year actuals (*Director / Treasurer*).
- Week 2-3: File GST Rebate for Q1-2 (*Director / Bookkeeper*). *Deposit to Capital Reserve*.
- Week 2-3: Review Bylaw & Schedules for accuracy or amendment (*Director*).
- Week 3-4: Review licenses and agreements for accuracy or amendment (*Director*).
- Week 3-4: Complete SRC employee grant application(s). **Deadline Sept. 30** (*Director / SRC*).

September:

- Week 1-2: Invoice Municipalities for Q4 of Local Appropriation (*Director*).
- Week 1-2: Review trustee appointments due for renewal in October (*Director*).
- Week 2-3: Lost-items: accounts to collection agent from Q2 (*Director*).
- Week 2-3: Review draft budget, amend and approve. **Deadline Oct. 1** (*Board Motion*).
- Week 3-4: Letters of request to present budget to Councils (*Director / Treasurer*).

Fourth Quarter (Q4) Organizational Logistics

October:

- Week 3-4: Request Trustee (re)appointments (*Board Motion*).
- Week 3-4: Present budget to council(s). **Deadline Oct. 31**. (*Chair / Treasurer / Director*).

November:

- Week 1-2: Insurance & Employee benefits renewal or tender (*Director*).
- Week 2-3: Library Board AOM – Election of Officers (*Board Motion*).
- Week 3-4: Forward updated Executive contacts to bank for transferring signing authority (*Chair / Vice Chair / Treasurer / Director*).
- Week 3-4: Update Trustee & Executive contacts with PLSB, YRL, CRA (*Director*).

December:

- Week 1-2: Invoice Municipalities for Q1 of Local Appropriation (*Director*).
- Week 2-3: Lost-items: accounts to collection agent from Q3 (*Director*).
- Week 2-4: Budget breakdown for programs and collection acquisitions (*Director / Manager*).

Recurring Schedule:

- Biweekly: Payroll release (*Director / Treasurer*).
- Monthly- Payroll: CRA Payroll remittance on-line payment (*Bookkeeper / Director*).

Singular Occurrences:

- Capital Grants:** Capital Project grant applications/ reporting (*Director / Treasurer / Chair*)
CFEP / CIP **Deadlines: Jan. 15, May 15, Sept. 15.**

Bylaw and/or Finance Policy Transmission: send updates (*Director / Chair*) to:

Charities Directorate
Canada Revenue Agency
Ottawa, ON K1A 0L5
fax to: 1-613-954-8037