

**DEERING PUBLIC LIBRARY
FINANCIAL PROTOCOLS AND POLICIES
Approved 10-5-20**

Libraries in the State of New Hampshire are regulated by NH RSA 202.

FINANCIAL POLICY

WHEN TO SPEND MONEY. Library Trustees decide jointly on projects in public meeting. Expenditures will fall into one of the categories outlined below, but essentially into 'running expenses' (programs, books, electricity, office, Schoolhouse maintenance and renovation, and library 'expansion.' Library expenses not falling into budget lines, and not into Schoolhouse maintenance or Library 'expansion,' funds are available in the library checking account.

Reimbursement for expenditures of budget items or checking account items is made through town administration using the appropriate form.

DEERING PUBLIC LIBRARY: MONETARY RESOURCES

1. Annual budget
2. Library checking account
3. Library building maintenance EFT
4. Deering Library Expendable Trust Fund (3/15/2008)
5. Donations and grants

There are some smaller general town-oriented funds that *could* apply to the library, but that would require the Trustees to agree with the interpretation of the private fund's founding documents, as they may or may not exist, and further agree that the proposed use is generally a good use of the funds.

ANNUAL LIBRARY BUDGET

Trustees will prepare an annual budget indicating what support and maintenance of the free public library will be required out of public funds for submission to the annual town meeting. A separate budget request shall be submitted for new construction, capital improvements of existing library property.

A budget detailing funds required for the coming year will be ready to present to the Deering Budget Advisory Committee no later than 1 October.

Expenditures from the annual budget are made with approval of the Select Board.

The following budget categories will be funded. Categories may be added by town meeting, or deleted by trustees. Funds may not be transferred between categories.

Library electricity. This refers to electricity used in the schoolhouse.

Office supplies

Dues and subscriptions

Youth programs. This refers to all programs organized by the Trustees.

Other supplies. Typically books are purchased from this line.

Funds from the annual budget can be spent in two ways

1. Trustees may request reimbursement from specific budget lines by submitting a reimbursement form, signed by the chair of the trustees, to the Select Board for approval.
2. A purchase order may be obtained from town administration and submitted directly to a vendor. Town will pay the vendor directly.

LIBRARY CHECKING ACCOUNT

Library trustees maintain a checking account. Location of the account is at the discretion of the Town Treasurer. Town Treasurer periodically provides Trustees with account balance sheets. Funds deposited into the checking account include donations, proceeds from book sales and grants. Expenditures from the library checking account are for items not included in the annual budget. Requests to expend funds from the Library Checking Account are made through the town administration, which is then reimbursed from the account.

Deering Library Expendable Trust Fund

The Deering Library Expendable Trust Fund was established by Deering Town Meeting in 2008. The purpose of the fund is to provide for library maintenance and future expansion. The fund is controlled by Library Trustees. To expend funds, application is made to Deering Controller of Trust Funds.

LIBRARY BUILDING MAINTENANCE EXPENDABLE TRUST FUND

The Schoolhouse was established as Deering's Library in 1926. Trustees were tasked with maintaining and renovating the building. The Library Building Expendable Trust Fund was established for this purpose by Town Meeting (03/13/2012). Trustees will anticipate maintenance needs and request funds to be deposited into the fund through the annual budget process. Deposits into the fund are approved by annual Town Meeting. Funds are controlled by Library Trustees. Application to expend funds are made to the Trustees of Trust Funds on form available from Town Administration. Quotes, invoices, or receipts are required.

DEERING LIBRARY EXPENDABLE TRUST FUND

This fund was established by Town Meeting (03/15/2008) for the purpose of providing funds for the operation and future expansion of the Deering Town Library. Trustees will anticipate maintenance needs and request funds to be deposited into the fund through the annual budget process. Deposits into the fund are approved by annual Town Meeting. Application to expend funds are made to the Trustees of Trust Funds on form available from Town Administration. . Quotes, invoices, or receipts are required.

About Expendable Trust Funds:

For any of the tax-funded accounts that name the Selectmen or Library trustees as agents, the funds are invested essentially in cash. Any small amounts of interest income are added to the balance if not spent. These funds generally are short-term holds on the part of the Trustees of the Trust Funds as they are intended to be used in the short term. In order to spend the funds, the agents to expend need to request monies from the trustees of the trust funds. Trustees of Trust Funds will review the request and compare it to the language in the founding

documents as amended if applicable. Should they find a match, they approve the request and initiate a transfer with the bank where the funds are kept a transfer out of the trust fund and into the appropriate 'cash' account to be spent. Trustees of the Trust Funds will communicate with Library Trustees and/or hold a public meeting, where appropriate, approve or decline, and move the funds the following day if approved.

DONATIONS TO THE LIBRARY

Library Trustees may accept gifts of personal property which may be offered to the Library for any public purpose if the value of the gift is \$5000 or less. Acceptance of gifts valued greater than \$5000 requires that Trustees hold a public meeting on the proposed acceptance.

For UNANTICIPATED MONEYS in the amount of \$5000 or more, Trustees must hold a public hearing on the acceptance. Notice of the time, place and subject of the public hearing must be published in a newspaper of general circulation in Deering at least 7 days prior to holding the meeting.

For UNANTICIPATED MONEYS in amounts less than \$5000, Trustees must post notice of the moneys in the agenda, if any, and include notice in the minutes of the Trustee's meeting during which the moneys were discussed. The acceptance of unanticipated moneys may be made in public session of any regular meeting of Trustees.

ANNUAL FINANCIAL REPORTS FROM THE LIBRARY

Trustees must make an annual report to the town that includes receipts from whatever sources, all expenditures, a statement of any unexplained balance of money, any bequests or donations they may have received.

With regard to Library trust funds, an annual report must be made to the NH Attorney General.