

Fiscal Responsibility Policy

1. Purpose and Scope

The Ticonderoga Black Watch Memorial Library Board of Trustees and Library Manager are stewards of public funds. This policy establishes guidelines for financial management, ensuring transparency, accountability, and compliance with town, state and federal laws. This policy applies to all funds, including municipal appropriations, state aid, grants, and donations.

2. Responsibilities of the Board of Trustees

The board holds ultimate authority and responsibility for the library's financial health. Trustees are not authorized to make purchases with, or that encumber, library funds without prior board approval. Only the board of trustees, by majority vote of those trustees, can secure a new or change an existing bank account, credit card, or other financial tool.

- **Budget Adoption:** Reviews the manager's budget request, makes revisions, and officially adopts the annual budget for submission to the town.
- **Advocacy:** Advocates for the library budget before town officials.
- **Oversight:** Reviews monthly financial reports and payment vouchers prepared by the manager.
- **Audit/Internal Controls:** Ensures an annual audit is conducted (if required) and approves internal control procedures, such as segregation of duties.

3. Responsibilities of the Library Manager

The manager is the chief executive officer of the library and acts as the primary purchasing agent. The library manager is authorized to purchase anything needed for the library provided such expenditures within the scope of the approved budget.

- **Budget Preparation:** Develops the annual budget in consultation with the board.
- **Daily Operations:** Manages the library's financial transactions within the approved budget.
- **Reporting:** Prepares monthly financial reports and expense vouchers for board approval.
- **Purchasing:** Selects products, services, and vendors seeking best price/quality.
- **Internal Controls:** Implements procedures to prevent embezzlement and ensure the security of assets.

4. Financial Procedures

- **Check Signing:** All checks issued by the board shall be signed by the Treasurer or President of the library board.
- **Tax Exemption:** The library is an exempt unit of local government, and no sales tax should be charged on purchases made on the library's behalf.
- **Purchasing Limits:** Bidding and purchasing laws and the Town of Ticonderoga Procurement Policy must be adhered to. All purchases must stay within the approved limits as set in the annual operating budget or within a received grant.
- **Donations/Gifts:** Gifts of money are accepted by the board and must be used in accordance with donor intent, or for the highest priorities of the library.

5. Audit and Compliance

- **Fiscal Year:** The library fiscal year runs from January 1 to December 31.
- **Annual Review:** A monthly and annual report of income and expenses will be presented to the board.
- **Segregation of Duties:** To prevent errors and fraud, no single person should have complete control over a transaction. The person who authorizes a payment should not be the same person who signs the check/voucher.

6. Conflict of Interest

No board member or employee shall use their position for personal gain or use library funds, property, or equipment for personal benefit.