



## **Cash Management Procedures**

Boyertown Community Library will follow these procedures for cash management conducted by the library.

Receipts for cash transactions (for fines, fees, donations, fax/copy/print, etc.) exceeding \$1.00 will be written and the copy will be placed in a zippered bag in the cash drawer. Credit card payment receipts and checks for transactions will also be placed in the zippered bag. At the end of the day the cash drawer is locked.

Each day the cash drawer begins with a standard amount of money. Before opening, the Fines and Fees Summary Report from Polaris is printed for the previous day's transactions. The money in the cash drawer is counted and restored to the standard amount. Additional cash collected (copies, prints, faxes, etc.) is recorded and totals are compared to receipts and the Fines and Fees Summary. Any significant shortages are noted and investigated as needed. Daily deposits are placed in a zippered pouch and locked in the Director's office.

Once a week, envelopes are opened one-by-one and the cash amounts in each are verified by the Director or designee. These amounts are recorded on the weekly Deposit Excel Sheet. The Director or designee counts the total deposit, notes any discrepancies, and sends the deposit spreadsheet to the Bookkeeper and the Board Treasurer.

The Director is responsible for timely deposit of funds into the appropriate Library bank account. Deposits should be made weekly.

### **Starting Operating Money**

Starting Cash is used to exchange large bills out of the cash drawer so the library can continue to make change for payments. In exceptional circumstances, the Petty Cash fund may be used for small purchases or for purchases to solve an immediate need when a Library-issued credit card is not available or is not practical to use. Expenses will be recorded in the daily and budget spreadsheets. The Library will maintain a Petty Cash fund of less than \$150.00 made up of small bills in its safe. The Library Director or Board Treasurer may conduct an unscheduled check of all Petty Cash funds to insure proper handling.

### **Staff Reimbursement for Purchases**

Staff or Board members may occasionally need to purchase materials for the Library with their personal funds. Staff may submit itemized receipts for these purchases to the Director and

pending Director and Board Approval a reimbursement check will be issued within 30 days.

### **PayPal**

Email receipts for donations and payments made over PayPal will be forwarded to the Bookkeeper. The Bookkeeper will transfer the funds and inform the Board Treasurer of the transaction.

### **Library-Issued Credit Card Procedures**

Credit cards are issued to staff members who frequently make purchases for Library events, have frequent travel expenditures, or who order supplies and equipment for the Library. The expenditure must be within the guidelines of the particular activity of the approved budget. The card is not to be used for any personal expenses. Prior to initial receipt of any card, each individual must agree to and sign the Credit Card Use Procedures.

The amount of available credit on each card is determined by the Library Director and Board of Trustees. Purchases may not exceed the assigned credit limit. There are no exceptions.

Balances on credit cards are paid in full by the Library each month. Payments on the monthly statement must be made in a timely fashion so that finance charges are not incurred. Timely payment requires staff incurring the charges to properly complete transactional paperwork relating to the Library's accounting functions.

Staff members who use Library credit cards maintain all receipts for expenditures. Proper documentation will include an original itemized paid receipt indicating the amount paid, the vendor, and the itemized description of the purchase. Unacceptable documentation includes non-itemized cash register receipts or handwritten requests for reimbursement without receipts or other verification. If a staff member loses a receipt, they may sign a notarized document stating where the funds were spent, what for, and the date of purchase. Any staff member that cannot provide valid receipts on a regular monthly basis, or who cannot provide a receipt for a purchase over \$20, will be subject to disciplinary action and/or possible termination.

An individual statement is prepared for each credit card. The statement is sent to the Bookkeeper to check all expenditures listed on the statement against all receipts. Receipts should note which particular budget line item each item applies to. The Bookkeeper indicates the line item on the statement and tracks the expense in the library budget spreadsheet. In the event that a Library issued card is used for an employee's personal expense, the employee is responsible for that expense and will reimburse the Library within that statement period for those charges. Disciplinary or legal action may result depending on the circumstances surrounding the use of the card.

### **Cash Total in Checking Account**

When the cash balance exceeds 60 days of average cash requirements, the excess funds should be transferred to the savings account. The amount will be evaluated and transferred, if needed, on a monthly basis.

### **Bank Statements and Reconciliation Reports**

The Bookkeeper compares bank statements monthly with interest earned, deposit records, and cancelled checks. A reconciliation report in the accounting program is prepared. The reports are reviewed and approved by the Board of Trustees. The Board reviews and approves a monthly update of income/expenditures as compared to the Library's annual budget.

**Check signatories**

Check signing ability is vested with the Library Board. The Library Board may designate check signing ability as necessary to its individual members. Generally, check signers will include two of the following: Board President, Board Treasurer, or Vice President. Due to the separation of duties, the ability to sign for payments may not be given to the Library Director.

A staff member or Board Member is not authorized to sign checks in which s/he would be the recipient of the funds expended.

**Library Reimbursement Grants or Opportunities including CARES Act Funds**

When the library is able to secure reimbursement for expenses paid, records shall comply with generally accepted accounting principles. Records will document all allowable costs. Records will be supported by source documentation, such as receipts/invoices, canceled checks, paid bills, payrolls, time and attendance records, contracts, etc.) Records will be maintained for five years following final payment. Reimbursement programs will be tracked separately on their own worksheet in the budget spreadsheet and a folder on file with all documentation. The Library Director verifies expenses as allowable costs and will track and prepare documentation for the Board of Trustees to review. The Library Director verifies goods have been received or services have been performed. The Library Director ensures final claims are filed ahead of their deadlines. Funds received will be deposited into a non-interest bearing account. CARES Act Funds will be used for personal protection equipment to keep patrons and staff safe and additional electronic materials.

This policy shall be reviewed every three years by the Board of Trustees and the Director.

Adopted by the BCL Board of Trustee on August 24, 2021