

SALISBURY FREE PUBLIC LIBRARY FINANCIAL POLICIES

1. A proposed annual budget shall be generated by the Board of Trustees, with input from the Librarian.
2. Signatories for the bank accounts, CDs, and any other accounts shall be the Treasurer and President.
3. The Librarian may be authorized to use a debit card chargeable to the checking account.
4. The Treasurer shall present monthly reports to the Board showing
 - a. current account balances as reconciled with the most recent bank statements
 - b. receipts and expenditures for the year to date.
5. There will be an annual audit.
6. The Board must vote to authorize all CD or investment transactions.
7. The Board must vote to authorize any library-related expenses to be incurred by Board members.
8. A minimum \$5,000 cushion shall be kept for budgeted expenses.
9. Use of any excess funds at the end of the fiscal year, or of any bequests or special donations, shall be determined by the Board as needed.
10. All monies received shall be deposited directly into the checking account.
11. A sum of \$25 shall be kept in Petty Cash to cover small expenses incurred by the Librarian.
12. The Librarian shall submit invoices for budgeted expenses, and receipts for Petty Cash expenses, promptly to the Treasurer for reimbursement.
13. Board members shall submit invoices for expenses promptly to the Treasurer for reimbursement.
14. Records shall be kept as follows:
 - a. Deposit receipts until reconciliation of the next bank statement
 - b. Checkbook registers for three years
 - c. Bank statements for five years
 - d. Payroll records for seven years

Adopted October 16, 2018

AMENDMENT 1: INVESTMENT POLICY STATEMENT ***Adopted July 8, 2021***

1. The Library's investment strategy shall be to steadily grow our bequest funds in a manner balancing risk and security.
2. The investment goal is to bring the account to the point of becoming an available resource for special or emergency expenses, and ultimately for dividends to be part of the annual budget.
3. The portfolio shall be invested in a 60%/40% mix of mutual funds and bonds to balance growth and security.
4. The Library's Investment Management Account shall be in a portfolio of Socially Responsible or ESG (Environmental, Social, Governance) funds.

AMENDMENT 2: GRANT INCOME AND EXPENDITURE ***Adopted August 3, 2021***

1. The Treasurer shall track income and expenditure for each grant individually.
2. Available grant funds shall be shown separately from operating income and expenditure.
3. The Librarian shall inform the Treasurer of expenses which should be paid from grant funds.
4. The Librarian shall keep account of hours spent writing grants.