

FINANCIAL MANAGEMENT

1. FISCAL YEAR

The fiscal year of The Smithtown Special Library District shall commence upon the first day of January and end on the 31st day of December.

2. CONFLICT OF INTEREST

No Trustee, officer or employee shall be interested directly or indirectly in any claim against or contract with the Library, as prescribed within the terms of the NY General Municipal Law.

3. DUTIES

The Board of Trustees shall:

- a. Appoint a treasurer on an annual basis who shall hold office at the pleasure of the Board.
- b. Provide a satisfactory minute book for recording the minutes of the meetings of the Board of Trustees.
- c. Provide the Treasurer with financial software to properly and effectively record deposits and disbursements with appropriate financial controls as approved by the current auditing firm.
- d. Adopt, at least 30 days prior to the commencement of the ensuing fiscal/calendar year, an estimate of receipts and appropriations (annual budget).
- e. Amend the budget at any time during the fiscal calendar year and provide for appropriations from any additional revenues received.
- f. Maintain the incurred obligations in each fiscal year within the amounts authorized by the budget and amendments thereto.
- g. Disburse Library funds by approval of warrant only on the basis of itemized vouchers, which have been certified by the claimants and Library Treasurer/auditors and approved by the Board of Trustees except as permitted under NYS municipal guidelines or as otherwise provided in paragraph "n" of this subdivision.
- h. Provide by resolution at the annual organizational meeting that amounts due upon approved contracts, fixed salaries or for compensation of employees regularly engaged at agreed upon periodic rates, may be paid without prior audit upon submission to the Treasurer of a voucher or payroll duly certified by the Director or his/her duly authorized representative.
- i. Establish rules and regulations governing the reimbursement of Trustees, officers and employees for actual and necessary expenses incurred in the performance of official duties assigned by the Board of Trustees. In lieu of actual and necessary travel expenses, the Board of Trustees adopts the

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annual mileage rate of reimbursement established by the Internal Revenue Service for the use of automobiles.

- j. Require the Treasurer to render monthly reports, displaying the following information for the guidance of the Board: balance on hand at the beginning of the month; itemized list of receipts during the month; total withdrawals made from the bank account during the month; balance on hand at the end of the month and reconciliation with the bank statement.
- k. Require a monthly report from the Treasurer indicating the amounts of receipts by source and expenditures by budget category for the months year to date.
- l. Cause an annual audit of the Treasurer's records to be made by an independent auditor.
- m. Provide adequate filing equipment for the preservation and systematic maintenance of all paid and unpaid bills, cancelled checks, bank statements, debit charge slips, contracts and other financial records.
- n. At its discretion, establish a petty cash fund for the purpose of making payment in advance of authorization of properly itemized bills for materials, supplies or services furnished to the library calling for immediate payment on delivery.
 - i. Whenever a petty cash fund is established, the Board shall designate the Library Director or the Treasurer of the Library to administer and be responsible for such fund.
 - ii. The person in charge of such petty cash fund shall maintain such records as may be necessary for the accurate accounting of all transactions and shall make reports to the Board of Trustees as required by such board.
 - iii. From time to time checks may be drawn to the Director in an amount which shall not exceed payments made in cash as evidenced by receipts, receipted bills or other evidence of payment in a form available to audit.
 - iv. The petty cash fund shall be closed-out at the end of each year and the general fund reimbursed by the remaining amount transferred to the petty cash fund.
- o. The Treasurer or his/her designee shall deposit all moneys within five days after receipt in the depository designated by the Board of Trustees. The trustees may authorize the Treasurer to deposit or invest moneys not required for immediate disbursement in special time deposit accounts or certificates of deposit issued by a bank or trust company located and authorized to do business in the State of New York, provided that such account or certificate shall be payable within the time the moneys may be needed, and provided further that such account or certificate of deposit shall be secured by a pledge of obligations of the United States of America or of the State of New York as provided under General Municipal Law.

4. REAL PROPERTY TAX LEVY

In preparation of the annual budget, the Board will review the current NYS tax cap guidelines in establishing the necessary tax levy for the subsequent year's budget.

5. FUND BALANCE

Fund balance reserves for the general fund shall be reviewed annually in developing the proposed budgets.

6. DEBT LIMIT

Tax-supported debt shall not exceed 10% of the assessed value placed on taxable property within the assessment district. **SUSPENDED 2/17/04**

7. AMENDMENT

This policy may only be amended by a two-thirds vote of the membership of the Board of Trustees, provided that the amendment has been submitted in writing to the Board at the previous meeting.

Policy 900-10
Adopted: 9/18/01
Revised: 5/20/03
Revised: 10/17/06
Revised: 1/20/09
Revised: 1/05/16
Revised: 7/21/2021