



# Caledonia Library Financial Controls Manual

## Introduction

The Board of Trustees of Caledonia Library is legally responsible for the financial health of the library. Trustees are custodians of community funds and must exercise a duty of care to make sure library resources are managed responsibly, transparently, and in line with the law.

This manual contains the library's financial control policies. These policies provide a clear framework for handling finances, making purchases, managing assets, and reporting financial information. They protect the library from mistakes, fraud, and misuse of funds while helping trustees and staff work together effectively.

## Review of Policies

Each policy in this manual must be reviewed at least once every five years in accordance with Commissioner's Regulation 90.2, or sooner if required by law or as recommended by auditors or legal counsel.

## Roles and Responsibilities

- **Board of Trustees:** The Board has ultimate authority over the library's funds. The Board approves the budget, reviews monthly financial reports, authorizes all purchases, and ensures compliance with state and federal requirements.
- **Treasurer:** The Treasurer is responsible for receiving, disbursing, and safeguarding library funds under the direction of the Board. The Treasurer prepares monthly financial reports and reconciles bank statements.
- **Library Director:** The Director manages day-to-day financial operations such as deposits, petty cash, and preparing invoices. The Director does not sign checks.
- **Board President and Trustees:** The President may co-sign checks with the Treasurer and help oversee compliance. Other trustees may review claims, participate in budget planning, or serve on a finance committee.

*Adopted: 9/30/2025*