

## **Financial Policy**

Stickney-Forest View Public Library District

(Adopted by the Stickney-Forest View Board of Trustees January 23, 2013; last reviewed: April 22, 2015)

### **Segregation of Duties**

Internal controls are designed to safeguard assets, help prevent or detect employee dishonesty or error and provide integrity of the District's accounting data and information. In order to maintain a complete set of checks and balances, the Stickney-Forest View Public Library District Director shall exercise an important review function between the execution and recording of all transactions. All invoices are reviewed and authorized by the Director prior to being recorded by the Business Manager. Similarly, all payroll records are to be checked against time clock records and then matched to the payroll summary by the Library Director prior to pay checks being printed or sent off for automatic deposit. In regards to payroll, all Department Heads will also check their staff payroll records and sign off on their accuracy. The Stickney-Forest View Public Library District Board of Trustees will review all monthly financial statements which will document both expenditures and disbursements that have occurred during the month at the regularly scheduled Board of Trustees Meeting. The Board of Trustees Treasurer will sign off on the monthly financial reports/Treasurer's report which will then be archived appropriately in the District Board Secretary's Book.

### **Outstanding Checks**

At the start of each fiscal year, the Business Manager shall issue a listing of all outstanding checks issued within the previous fiscal year(s). The Business Manager shall complete a review of this list in accordance with guidelines issued by the Illinois Compiled Statutes and shall undertake the following actions as appropriate:

1. Look for evidence of accounting errors and double postings. Once proof of a cashed check is discovered, the duplicate entry for the check can be reversed.
2. Attempt to individually contact the payees of all checks past 60 days old. A written notice shall be sent to each payee at his/her last known address (if available) notifying the individual that he/she shall have thirty days to contact the Library to have the check reissued. Failure to meet this deadline will result in all amounts greater than \$25.00 being forwarded to the Illinois Department of Financial Institutions, in compliance with State Statutes.
3. All checks seven years old or older and in amounts less than \$25.00 in value, will be discharged annually at the end of the fiscal year.
4. Checks that have not been cashed within ninety (90) days from the date of issuance and are less than \$25.00 in value will be discharged annually at the end of the fiscal year.

## **Petty Cash**

Petty cash reserves are kept in a secure location in the Library's Administrative office. Petty cash is counted and reconciled at the end of each month. In the event that the balance of Petty cash is getting low, the Business Manager shall prepare a reconciliation of the petty cash fund providing a count of cash currently in the secure location as well as a detailed listing of petty cash reimbursement slips received. Any discrepancies must be documented and reported to the Library Director. Upon approval, a check will be cut to increase the petty cash box to its designated balance. All requests for petty cash reimbursement must be submitted to the Library Director on an approved petty cash reimbursement form and include appropriate receipts and documentation supporting the amount of the request. All requested information must be completed prior to making any disbursements including date of request, payee, account to be charged, amount due, authorized approval and a description of the nature of the expense.