Monetary Policies

Finance and Investment Policy

Board of Finance

- The duly appointed members of the Boswell-Grant Township Public Library are the fiscal body of the library and thus constitute the Board Finance of the Boswell-Grant Township Public Library.

- The Boswell-Grant Township Public Library Board of Finance shall meet annually during the regular January board meeting to elect a president, vice president and secretary, review the written report of the library's investments of the previous year and review the library's finance and investment policy.

- The duly elected treasurer of the Boswell-Grant Township Public Library board is the fiscal officer (IC 20-14-2-5). The treasurer shall serve without compensation.

- Funds received by the library shall be deposited at Farmers and Merchants Bank at a minimum of once each month, unless $500 or higher is received. (Updated 11/19/24)

- The fiscal officer of the library is authorized to invest library funds in the following (IC 5-13-9):

    - Securities or discount notes backed by the full faith and credit of the United States Treasury or fully guaranteed by the United States and issued by the United States, a federal agency or a federal government sponsored enterprise.

Purchasing Policy

- The Boswell-Grant Township Public Library is a governmental body that is authorized to enter into contracts under the Indiana Public Purchasing Agency.

- The Boswell-Grant Township Public Library Board of Trustees is the Purchasing Agency.

- The Purchasing Agent is the Director of the library.

- The purchasing agent may purchase equipment and supplies costing up to $750. Any supplies or equipment costing $751 or more require the approval of the Boswell-Grant Township Public Library Board of Trustees.

- All purchases under $25,000 will be made on the open market. All items costing between $25,000 and $75,000 will be purchased only after inviting at least three quotes. In accordance with state statute, all items costing over $75,000 will be purchased following a competitive bidding procedure unless another procedure is authorized by statute.

Monetary Policies

(Reviewed 6/21/16)

Materiality Policy

IC 5-11-1-27(j) requires erroneous or irregular material variances, losses, shortages, or thefts of political subdivision funds or property to be reported immediately to the State Board of Accounts, and the State Examiner Directive 2015-6 directs each political subdivision to determine its own policy on materiality.

The Board of Trustees does not condone any erroneous or irregular material variances, losses, shortages, or thefts of Library funds or property, but recognizes that relatively small items may not justify the cost of the involvement of the State Board of Accounts.

The Library Board establishes a policy regarding materiality and the process for reporting. material items as follows:

- All erroneous or irregular variances, losses, shortages, or thefts of Library funds or property, or funds or property the Library holds in trust, shall be reported to the Director or Treasurer.

- It is the policy of the Director and Treasurer to report to the State Board of Accounts any erroneous or irregular variances, losses, shortages, or thefts of cash in excess of $500, except for inadvertent clerical errors that are identified in a timely manner and corrected promptly with no loss to the Library.

- It is the policy of the Director and Treasurer to report to the State Board of Accounts any erroneous or irregular variances, losses, shortages, or thefts of non-cash items in excess of $500, estimated market value, except for those resulting from inadvertent clerical errors or misplacements that are identified in a timely manner and corrected promptly with no loss to the Library, and except for losses from genuine accidents.

In addition, the Library will adhere to IC 5-11-1-27(l) which requires public officials who have actual knowledge of or reasonable cause to believe that there has been a misappropriation of public funds or assets to immediately send written notice of the misappropriation to the State Board of Accounts and the Prosecuting Attorney regardless of the dollar amount. Misappropriation occurs when an employee or in-house contractor of the political subdivision wrongly takes or embezzles public funds or assets.
(Approved 7/17/18, updated 3/17/20)

Capital Assets & Depreciation

Capital assets include such items as: land, easements, right of ways, land improvements, buildings, building improvements, construction in progress, machinery and equipment, vehicles, infrastructure, books, works of art and monuments.

Monetary Policies

Capital assets with an estimated useful life of more than one year and an original cost of $5,000 or more will be accounted for as capital assets. In addition, the aggregation of all physical library collection materials (for example, books and movies) with a useful life of more than one year, regardless of the original cost, will be considered capital assets.

Depreciation will be handled as follows:

- The building will be depreciated using straight line depreciation and having a useful life of 39 years. The US tax code was used to determine the useful life of buildings.

- The furniture will be depreciated using straight line depreciation and having a useful life of 5 years. The US tax code was used to determine the useful life of furniture.

- The collection value will be determined by running a report in the integrated library system (ILS). (Updated 3/15/22)

- No depreciation on items less than one year old. (7/18/23)

Bad Debt Policy

After a period of five years, uncollected fines and fees over $10.00 may be officially written off as bad debt. The recommended write-off amount will be presented to the Library Board for approval prior to deleting the debt records. Fine records will then be permanently purged from the system. (Approved 8/18/20)

Forms of Payment

The library accepts cash, check, credit card and debit card. (Approved 7/1/25)

Credit Card Policy

The purpose of the credit card policy is to facilitate purchases for the library in those limited circumstances where using a credit card is the only practicable means for making a purchase.

The Director will procure a credit card for the library from the financial institution offering the most favorable terms for the library. The Director may obtain a card that has an annual fee if the totality of the terms applicable to that particular credit card makes it the best choice for the library. The line of credit extended to the library by means of the credit card shall not exceed three thousand, five hundred dollars ($3,500.00).

The Director is the designated custodian of the credit card. The Director must ensure that the card is used in conformance with the library's Resolution for Library Credit Card, the Indiana State Board of Accounts Accounting and Uniform Compliance Guidelines Manual for Libraries, and this policy.

Monetary Policies

The Director and Assistant Director will sign an agreement to use the credit card in accordance with library policy.

The Director, or a library employee designated by the Director, may use the credit card for the following types of purchases:

- Janitorial Supplies
- Office Supplies
- Program Supplies
- Collection Items
- Conference Fees
- Hotel Fees
- Stamps
- Elevator operating permit
- Services for the computers; and

Use of the library's credit card for personal purchases is expressly prohibited.

The library is generally exempt from sales tax on purchases. The card user must notify the vendor or merchant that the credit card transaction should be tax exempt. The card user should provide the library's Sales Tax Exemption Certificate at the time of purchase, to avoid paying sales tax. Meals and lodging are not exempt from sales tax.

The balance due on the credit card will be paid in full each month by or before the payment due date. Payments should not be made on the basis of a statement, or a credit card slip only. Procedures for payments should be no different than for any other claim. Supporting documentation such as paid bills and itemized receipts must be provided by the card user. Any interest or penalty incurred due to late filing or furnishing of documentation by an officer or an employee will be the responsibility of that officer or employee.

Any benefits derived from the use of the credit card are the property of the library.

If the card is lost or stolen, the card issuer must be notified immediately. This loss must also be reported to the library's board of trustees. (Approved 4/18/2017, updated 12/21/2021, updated 12/20/22)