

**ACCOUNTING MANUAL**

**Table of Contents**

<b>Fiscal Procedure</b>	<b>Sequence</b>
<i>Treasurer Responsibilities – Retired, see policy 500-3</i>	<i>Procedure A</i>
<i>Maintenance of General Ledger – Retired, see policy 500-3</i>	<i>Procedure B</i>
<i>Financial Statements– Retired, see policy 500-3</i>	<i>Procedure C</i>
<i>Financial Signature/Review Policy – Retired, see policy 200-6</i>	<i>Procedure D</i>
<b>Insurance Protection</b>	<b>Procedure E</b>
<b>Payroll Procedures</b>	<b>Procedure F</b>
<i>Memorials and Donations – Retired, see Policy 500-5</i>	<i>Procedure G</i>
<b>Petty Cash and Receipts</b>	<b>Procedure H</b>
<b>Cash Register Procedure</b>	<b>Procedure I</b>
<i>Claims Auditor Policy– Retired, see policy 500-6</i>	<i>Procedure J</i>
<i>Payment of Bills– Retired, see policy 500-6</i>	<i>Procedure K</i>
<b>Online Banking</b>	<b>Procedure L</b>
<b>Debit Card Policy</b>	<b>Procedure M</b>
<b>Meals &amp; Refreshment Policy</b>	<b>Procedure N</b>

**Procedure E**  
**Insurance Protection**

1. An insurance policy will remain in affect to cover loss by destruction or damage to the library building or contents, liability, or crimes.
2. Once a year the Audit Committee will verify that the insurance premiums have been paid for insurance coverage towards 1) Commercial Application, 2) Property, 3) General Liability, 4)Equipment Floater, 5) Workers' Compensation, 6) Umbrella, and 7) Officer Liability.
3. Once a year the Audit Committee will review existing insurance coverage and endorsements, the amount of insurance, and premiums. Any recommendations to changes in coverage will be made to the Board of Trustees.
4. Claims for the following must be reported promptly, by contacting the insurance agency.
  - A. FIRE – In the event of fire call 911 immediately.
  - B. THEFTS AND VANDALISM – In the event of losses or damage to property contact the Sherriff's Office by calling 911 immediately. Only the police are authorized to conduct an investigation or take action regarding criminal acts such as theft or vandalism.
  - C. DISHONESTY OF EMPLOYEES - Report losses immediately to the Sherriff's Office and/or Audit Committee. Indicate the circumstances of the loss, the date of loss, location, and the amount of the loss. Once a loss due to the dishonesty of an employee becomes known, the insurance company may not pay for any future losses caused by such employee; there is a duty to report claims promptly and take action to prevent or reduce further loss.
  - D. LIABILITY OR INJURY TO NON-EMPLOYEE - Upon becoming aware of an incident which might lead to a liability claim and when a claim for liability is received, immediately notify the Library Director. The Director should contact the insurance agency.
  - E. EMPLOYEE INJURY - Report injuries promptly. All other injuries (other than First Aid) must be reported immediately. Contact the the insurance agency for details in filing a workers compensation claim or New York State Workers' Compensation Board at <http://www.wcb.state.ny.us/index.htm> when additional support or instructions are required.
5. Every few years the Library Director should request insurance quotes for coverage from at least 2 insurance companies in addition to the current provider. Quote requests should be sent via certified mail to show proof of request.

**Procedure F**  
**Payroll Procedures**

1. Timesheets are to be prepared by all staff persons and submitted biweekly. Time should be input on a daily basis and, if in writing, completed in ink. Correction fluid should never be used in preparing timesheets. If an error needs to be corrected, a line should be drawn through the item and the corrected information recorded, and initialed by the person who made the correction.
2. Timesheets are to be signed by the staff person and his/her supervisor.
3. All approved timesheets should be submitted to the Library Director, who will verify the hours worked against his/her record.
4. The Library Director should then process the time and report the information to the payroll service. The information reported should include: hours, sick leave, vacation leave, and holiday pay.
5. NYS Employee Retirement data should be reported by the Library Director prior to the 7<sup>th</sup> of each month for the prior month.

**Procedure H**  
**Petty Cash and Receipts**

**Petty Cash Ledger**

1. Petty Cash drawer will have a maximum balance of \$100
2. When cash is taken for a purchase
  - A. Enter the date
  - B. Enter the purpose – ie: program supplies
  - C. Enter the amount spent
  - D. Enter the new balance of the drawer
  - E. Initial the entry
  - F. Place receipt for the purchase in the drawer
3. At end of each week, 2 staff members will count the balance in the drawer and compare to the balance on the ledger and initial.
4. As needed:
  - A. Attach all receipts to the ledger page and submit to Library Director for review
  - B. The Treasurer will reimburse the petty cash drawer for the total of the receipts, returning the drawer balance to \$100
  - C. Begin new ledger sheet

**Procedure I**  
**Cash Register Procedure**

1. Receipts or register tape must be issued for all payments received, the receipt should include the date, payee, reason and amount. If a check is received the receipt should include the check number.
2. Each employee that places cash in the cash register should have their own unique register code.
3. On a daily basis, two employees must count the cash collected and compare the total to the cash register tapes.
4. The daily register tape must be attached to the Daily/Weekly Income Log (Appendix 1J) for that week.
5. When cash is transferred from one employee to another the receiving employee must count the cash in front of the employee handing it over and both get a copy of a duplicate receipt.
6. Each night the highest ranking employee on duty must remove monies from the cash register and place it in the locked safe.
7. Each morning the highest ranking employee on duty will setup the cash drawer with \$50 and the balance of the monies received previous day will remain in the safe until the time that it is deposited in the bank.
8. Bank deposits will be made within a week of money being received.
9. At the end of each week the following items are entered on the Daily/Weekly Income Log. a journal entry is made by the Treasurer
  - A. Date
  - B. Source of income – ie: fines, refund, etc.
  - C. Amount received
  - D. Initial the entry
10. Weekly the highest ranking employee on duty will:
  - a. Total the amount received
  - b. Attach any check stubs to the Daily/Weekly Income Log Spreadsheet
  - c. Make deposit for the total amount, returning the drawer balance to \$50
  - d. Attach deposit receipt to the ledger page and submit to the Treasurer
  - e. Begin a new ledger sheet for the next period

### **Procedure L Online Banking**

The Red Jacket Community Library has entered into a written agreement with Canandaigua National Bank and Trust for online banking services. Unique id's and passwords are individually secured. Online banking will only take place on the Library Directors computer.

The Library Director serves as the administrator on the account. The Treasurer is a sub-user on the account. The Board President is a view-only sub-user on the CNB account.

All deposit accounts are held at Canandaigua National Bank. Internal account transfers, stopping payment on a check, and printing/viewing statements are authorized activities. Wire transfers and electronic payments to vendors are not allowed, except debits in the following instances:

- Paychex is authorized to debit from Payroll Checking the amount of bi-weekly payroll, payroll taxes, and the payroll service fee per the submitted payroll file.
- NYS Retirement is authorized to debit from Payroll Checking the employee contributions withheld from employee's paychecks per the Monthly Retirement Report.

### **Procedure M Debit Card Policy**

The Red Jacket Community Library provides for restricted use of a debit MasterCard pursuant to the Red Jacket Community Library's Procurement Policy to facilitate the daily operations of the Library. All purchases must be Red Jacket Community Library use and benefit only. The debit card may not be used for the purchase of personal items, alcoholic beverages or tobacco products.

Procedures for credit card use:

- The library system a debit MasterCard to the Library Director. All employees issued a credit card shall sign a Credit Card Use Agreement.
- All purchases and expenditures of Red Jacket Community Library funds must be within approved budget guidelines. Red Jacket Community Library procurement procedures require the use of a purchase order, receipt of goods or services, and subsequent payment from an invoice whenever possible. However, occasionally, purchases can only be made with the use of a debit card.
- All charges require itemized receipts/invoices with the purchase order number and employee's name to be promptly submitted to the Treasurer. If the card is used for online purchases, the transaction confirmation page from the site is to be printed and submitted.

### **Procedure N Meals and Refreshment Policy**

From time to time, meals and/or refreshments may be deemed appropriate for a particular meeting, event or situation that is being held for business purposes.

In such instances, the purchase order procedure should be followed with as much detail as possible. All food should be provided using our sales tax exempt status. Additional delivery and tip charges will be allowed. The employee accepting food should indicate initials, date and purchase order number on all receipts or invoices.

Examples of authorized categories of expenditures include but are not limited to refreshments for programming, refreshments for meetings of the Red Jacket Community Library Board of Trustees that are expected to exceed two hours, meals for Red Jacket Community Library staff meetings that are expected to exceed two hours, and meals or refreshments at other meetings at which Library business is conducted.

Conference/Travel Meal Costs:

Meal costs (excluding alcoholic beverages) for travel-related approved conferences shall be regulated by board approval. The Red Jacket Community Library allows \$30 per day for meals for employees attending out-of-system conferences. In all instances, itemized receipts must accompany the request for reimbursement.

---

*Adopted at the 10/2/07 Red Jacket Community Library Meeting*

Reviewed: 10/09; 10/11; 05/13; 9/14; 5/15; 6/15; 3/16

Revised: 10/09; 10/11; 06/13; 6/15; 7/15; 3/16; 4/2019; 6/2019, 11/2020