

## **BUDGET NARRATIVE**

### **SPENDING RESTRICTIONS**

With the exception of travel, communications, salaries and benefits, the county libraries will not obligate line-item amounts until multi-county funding is received from the state library. The fiscal agent (Jackson County) should not be placed in the position of loaning funds to PPLCS. This restriction does not apply to the PPLCS administrative office. However, major purchases, if possible, should be delayed to the last six (6) months of the fiscal year. This is to prevent lay-off of employees.

### **CHECK SYSTEM**

There will be a monthly reconciliation of PPLCS funds.

- The PPLCS assistant administrator, or person designated, will code and prepare bills for payment.
- The administrator will review and approve bills for payment.
- The PPLCS administrative board will approve bills for payment at the monthly board meeting.

### **IN ADDITION**

- The PPLCS assistant administrator, or person designated, will reconcile with the fiscal agent monthly.
- The PPLCS budget committee chair will review reconciliation with assistant administrator, or person designated, monthly.

A budget revision will be presented by the PPLCS Administrator to the PPLCS board for approval at regular board meetings. The close out revision for the fiscal year will be presented at the October board meeting. The revisions will show revised line item amounts. Any line item revisions over 10% will not be acted upon without PPLCS board approval.

### **PPLCS RECONCILIATION**

1. Check for a received date on the packing slip with a signed signature of the person who validated that the materials or supplies had been received.
2. Check for an original invoice. The invoice is the bill from the vendor.
3. Check to see if a purchase order number has been assigned to it, match the P.O. number to the bill.
4. If a P.O. number has not been assigned, one has to be assigned. (The P.O. number should have been assigned prior to the ordering of the material).
5. The original packing slip and original invoice is attached to the original Purchase Order and is sent to the Jackson County finance office for payment. Copies are kept in the office.
6. A ledger sheet is kept that has the date of the purchase order, the vendor's name, the P.O. number, the invoice number and the amount paid. Back-orders can be paid off the P.O. number that generated the original order.

7. All orders coming from a county must have that library director's signature on the requisition slip before PPLCS can authorize payment.
  - Check packing slip for date received.
  - Check for signatures on the P.O. prior to your signature.
  - Sign and date your signature in blue ink.

## **PURCHASING**

The Panhandle Public Library Cooperative System (PPLCS) is using Jackson County as its fiscal officer. The purchasing policies of Jackson County will be used in conjunction with the following:

Any single purchase of \$1000 or more shall be brought before the PPLCS Board for approval prior to purchase. Purchase Orders (PO's) are required for all purchases.

- A. Single Item Expenditures under \$1000
  - Will require 2 signatures: PPLCS Board Chair, Administrator or Assistant Administrator or designee.
  
- B. Single Item Expenditures over \$1000
  - Will require two (2) signatures; the PPLCS Board Chair or designee, second the PPLCS Administrator or designee.
  - All such purchases (regardless of funding source) shall be brought before the PPLCS Board using the following order:
    1. State Bids receive first consideration.
  
    2. Any county in the PPLCS service area may bid when appropriate and cost-effective. Bids will be advertised in the county newspaper of general circulation, giving specifications and closing date.
  
    3. Formal advertised bidding shall be used for purchases of more than \$5,000 and must be approved by the PPLCS Administrative Board.
  
    4. Authorized purchases over \$5,000 without utilizing the bid process may utilize the following entities, upon PPLCS Administrative Board approval.
      - State Department of Management services
      - State Issued Contracts
  
- C. Sole Source Vendor Policy:
  - The bidding policy may be waived in face of sole source vendors with verification from the vendor that they are the only purchasing source of the item. The verification shall consist of a letter from the vendor stating that they are the sole source of the item/s. This letter should be kept in a sole source provider file and a copy of the letter be attached to the purchase order to which it pertains.
  
- D. Specific purchasing procedures:
  - Purchase orders must be secured prior to purchase
  - Purchase orders must have a date on or before the date of the invoice
  - Purchase orders must have a valid signature before issuing.

## CREDIT CARD

- A. The PPLCS Administrative Board must give approval for acquisition of credit cards.
- B. The use of the cards shall be limited to:
  - Administrator
  - Assistant Administrator
  - Library Directors
  - Board Members
- C. Usage of the corporate credit card
  - Lodging
  - Reservations
  - Registrations
  - Conferences, workshops, association fees
  - Transportation
- D. Store credit cards, such as Lowe's, Office Depot, Sam's Club, and Walmart, will be used for equipment, materials & supplies in accordance with fiscal policies.
- E. All cards will be kept in the administrative office and checked out as needed.
- F. Any misuse of credit cards will result in disciplinary action.

## INVESTMENT

Any/all funds received by the Panhandle Public Library Cooperative System, above and beyond cash flow needs, shall be invested with the State Board of Administration and/or in local banking institutions;

- Money Market accounts, or
- Certificates of Deposit.

No funds shall be placed in high-risk investments.

No funds shall be placed in any account that creates or shall appear to create conflict(s) of interest with Panhandle Public Library Cooperative System Administrative Board members or its employees.

No funds shall be placed in or removed from an investment account, without the knowledge and approval of the Panhandle Public Library Cooperative System Administrator.