

**Brodhead Memorial Public Library Financial Policy**  
Approved by the library board of trustees on May 8, 2025

**Purpose**

The Library Board establishes this financial policy to ensure fiscal accountability, appropriate use of funds in support of the Library's mission and goals, and compliance with appropriate laws.

**Policy**

**1. Consistency**

- a) Library staff, while preserving the Library Board's legal prerogatives under Wis. Stats. §§ 43.58(1) and 43.58(2), will keep Library practices in compliance with City of Brodhead fiscal practices and policies.
- b) Library staff will work with the City Clerk and City Treasurer staff to ensure that City Audit and Finance Committee, and/or City Common Council policies accommodate the Board's authority as such policies relate to the Library. City Hall staff will submit policies generated by the City Clerk, City Treasurer, City Audit and Finance Committee, and/or City Common Council that relate to the Library to the Library Board for approval.

**2. Budget**

- a) The Library Director shall submit budget revenue funds and expenditures, in accordance with direction from the Library Board, for the upcoming fiscal year in the month of September or October, or prior to any deadlines set by the City based on best estimate.
- b) The Library Board shall establish an annual budget and submit it to the Mayor and City Treasurer for inclusion in the City's executive budget according to City guidelines.
- c) As part of the annual budget, the Board shall indicate the amount being requested from the City of Brodhead to create a balanced Library budget.
- d) Library staff shall work with the Mayor, the City Treasurer, and Common Council to seek adoption of the Board's request, reporting any changes or concerns to the Board.
- e) After budget adoption by the City Council, the Library Director will present the approved City contribution to the Library for the year to the Library Board. The Library Board will then approve a final budget.
- f) The Board delegates to the Director the expenditure of monies and the development of an annual collection budget (includes books, nontraditional library materials, A/V, newspapers, periodicals, electronic books, and databases) to allocate funds available for library materials. Additionally, the Board delegates approval of all expenses \$2,000 or under to the director. Items above this amount must be approved by the Library Board. Such delegation is given by means of the duties the Board may prescribe for the Library Director per Wis. Stat. § 43.58(4).

- g) Funds may be transferred between budget lines and between budget programs with the approval of the Library Board.
- h) Any budget adjustment approved by the Library Board will be reported to the City Treasurer as an informational item.

### **3. Review and Reporting**

On an annual basis, all Library funds, expenditures, and revenues will be audited as part of the City's audit. Library staff shall report to the Board any notes or communications from the City's auditor regarding the Library. Library finances will also be annually reported to the State of Wisconsin as required by the Department of Public Instruction.

The Library Board Treasurer provides fiscal oversight over the funds held by the established library accounts at the Bank of Brodhead and Bank of New Glarus. The Treasurer also has the ability to sign for monies paid from these accounts.

### **4. Expenditures**

- a) The Library Director or his/her designee will review expenditures of budgeted funds and forward invoices to the City of Brodhead for payment.
- b) Library staff will work with the City of Brodhead Treasurer using the City's procedures for payment of invoices and credit card statements and will keep library practices in compliance with City practices and policies while preserving the Library Board's legal prerogatives under Wis. Stats. §§ 43.58(1) and 43.58(2).
- c) On a monthly basis, staff shall present a list of all expenditures to the Board for review and approval. Staff will also present a monthly financial report showing the status of all accounts and funds. This report will be submitted to both the Library Board and the City Treasurer.

### **5. Receipts**

- a) Monies received as revenue by the Library from circulation fines and fees, lost or damaged materials, public printing, copying, purchase of electronic storage devices and the like will be submitted to the library fund at The Bank of Brodhead as revenue for budgeted library spending.
- b) Library staff will implement petty cash procedures consistent with City of Brodhead procedures, for use when immediate payment or reimbursement for a purchase or service is required.
- c) Grants and Donations
  - 1. Funds donated may be allocated according to the wishes of the donor or may be undesignated. The Board gives the responsibility to the director to place donations in an established library account at their discretion. The library account at the Bank of New Glarus is intended to hold donation funds not designated for use within its current year.
  - 2. The Library Board may refuse any gift.

3. The Library Board *may* pay or transfer any gift, bequest, devise, or endowment, or its proceeds, to the City of Brodhead; or the Board *may* pay or transfer the gift, endowment, or other proceeds to the Friends of Brodhead Memorial Public Library to foster the mission of the library.
4. The library reserves the right at all times to dispose of any gift without notification to the donor.
5. The library has access to a foundation that is managed through the South Central Library System. Whenever funds are deposited and withdrawn from this foundation, library board approval is required.

#### **6. Disposal of property**

- a) Withdrawn library materials, materials donated but not added to the collection, and other library equipment no longer needed for library services may be given to the Friends. The Friends group will sell these materials to raise funds for their projects.
- b) If another City of Brodhead Department expresses an interest in a piece of equipment or other item no longer used by the Brodhead Memorial Public Library, the Library Director may transfer such items to those departments. Staff will report such transfers to the Library Board.
- c) Some library materials and other items no longer needed for library service and not wanted by other City departments or agencies may be discarded, sold online or at auction by the City of Brodhead, put into City storage, donated to a nonprofit agency or educational institution, or otherwise disposed of and reported accordingly.