
Category:	Finance	Date Established:	May 2003
Policy Number:	4.1		
Title:	Signing Authorities	Rev. February 2023	

Section 4.1: Signing Authorities

4.1.1 There will be four individuals designated as signing authorities for the Library:

- Board Chair
- Board Vice-Chair
- Library Director
- Operations Manager

4.1.2 One of these signatories must sign cheques and documents relating to the Library's bank account(s) for amounts less than \$1,000. Two of these signatories must sign cheques and documents relating to the Library's bank account(s) for amounts of \$1,000 and over.

Two of these signatories must sign cheques and documents relating to the Library's bank account(s).

4.1.3 Any cheques in amounts under \$5000 may be signed by one staff and a printed board signature.

4.1.4 Any cheques in amounts exceeding \$5000 must be physically signed by two signatories: one staff and one board member.

4.1.5 All invoices will be approved by the Director or Operations Manager.

4.1.6 The Board Chair or Vice-Chair will approve the Director's expenditures over \$2500.

4.1.7 The Operations Manager may approve the Director's expenditures up to and including \$2500.

Category:	Finance	Date Established:	May 2003
Policy Number:	4.2		
Title:	Authority for Expenditures	Rev. March 2019	

Section 4.2: Authority for Expenditures

- 4.2.1 The Library Director may authorize expenditures as approved in the annual budget. Expenditures over \$2500 not included in the approved budget must be authorized by the passing of a motion by the Board.
- 4.2.2 The Library Director may authorize unbudgeted expenditures paid for by funds raised from sponsors or donors up to \$10,000.

Category:	Finance	Date Established:	May 2003
Policy Number:	4.3		
Title:	Budget Process	Rev. March 2019:	

Section 4.3: Budget Process

- 4.3.1 The Director will prepare a draft budget annually. This will be discussed by the Finance Committee and forwarded to the Board for final approval.
- 4.3.2 The Chair of the Finance Committee (or designate) will make a presentation to City Council (or Finance Advisory Committee if so indicated by Council) which will include discussion of the Library's budget and municipal operating and building grant requests.
- 4.3.3 The Director will accompany the Finance Committee at the annual budget presentation to City Council and present the Library's business plan.

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Category:	Finance	Date Established:	April 1999
Policy Number:	4.4		
Title:	Fundraising	Rev. March 2019:	

Section 4.4: Fundraising

- 4.4.1 The Library Board is responsible for securing adequate funds for Library services and facilities. The Board will oversee the strategic direction for fund development.
- 4.4.2 The Director is responsible for ensuring the Board's strategic direction for fund development is implemented through an annual fund development plan.
- 4.4.2. Use of Funds
- 4.4.2.1 All donations will be used to further the mission and charitable objectives of the Library.
- 4.4.2.2 The Library will determine the needs, uses, services and programs for which funds will be sought. Donated funds and in-kind gifts will only be accepted if the purposes for which they are donated align with the Library's Plan of Service and annual business plan.
- 4.4.2.3 All fundraising appeals will disclose the purpose for which funds are requested.
- 4.4.2.4 All designated donations will be used for the purposes for which they are given; alternative uses will be negotiated with the donor if necessary due to program or organizational changes.
- 4.4.3 Donors' Rights
- 4.4.3.1 Donors may be entitled to receive a charitable donations tax receipt.
- 4.4.3.2 Donors and prospective donors will never be subjected to coercion or undue pressure.
- 4.4.3.3 Sponsor recognition plans will be outlined in solicitation materials. Donors and sponsors will be acknowledged as promised unless the Library receives a request for anonymity.
- 4.4.3.4 All reasonable efforts will be taken to honor any request by a donor to be excluded from lists that the Library maintains. Such lists will not be shared with other organizations.
- 4.4.3.5 All reasonable efforts will be taken to honor any request by a donor or prospective donor not to be contacted in future fundraising campaigns.

4.4.3.6 Any confidential information from or about donors that is obtained by or on behalf of the Library shall not be disclosed without the express consent of the donor.

4.4.3.7 Donors and prospective donors are entitled to the following, on request and at no charge:

- The Library's most recent annual report and/or audited financial statements;
- The Library's most recent Charity Information Return (T3010) as submitted to Revenue Canada, (except the confidential schedules).

4.4.3.8 Donors and prospective donors are entitled to know, on request, whether the individual asking for funds is a volunteer or a paid fundraiser.

4.4.4 Fundraising Practices

4.4.4.1 Volunteers, staff and consultants who solicit or receive funds on behalf of the Library shall:

- Have no vested interest in a donor's gift that could result in personal gain;
- Disclose immediately to the Library any actual or apparent conflict of interest;
- Not accept gifts for purposes that are inconsistent with the Library's mission.

4.4.4.2 Fundraising solicitations will be truthful, accurately reflect the Library's mission and use of solicited funds, and neither exaggerate past achievements nor promise unrealistic results.

4.4.4.3 Paid fundraisers, whether staff or consultants, will be compensated by a reasonable salary, retainer or fee, and will not be paid finders' fees, commissions or other payments based on either the number of gifts or the value of funds raised; any performance-based compensation (such as bonuses) will be consistent with the Library's compensation policies that apply to non-fundraising staff.

4.4.4.4 The Library will maintain control and ownership of its charitable assets, including its fundraising revenues, in-kind donations, and donor list.

4.4.5 Financial Disclosure

4.4.5.1 Government grants or contributions will be reported separately of other fundraising revenues.

4.4.5.2 Financial reports will disclose both the total amount of any fundraising costs that are allocated to other program expenses, and the total amount of any overhead or administrative costs that are allocated to fundraising expenses.

4.4.5.3 If any fundraising revenues are reported net of expenses, the gross amount of fundraising revenues will also be disclosed.

4.4.5.4 All promotional material and tickets for fundraising events will disclose the actual amount of the ticket or admission price that may be receiptable as a charitable donation.

4.4.6 Accountability

4.4.6.1 The Director will present an annual fundraising report to the Board.

4.4.6.2 The Board will annually review the cost-effectiveness of the Library's fundraising strategies.

Category:	Finance	Date Established:	May 2001
Policy Number:	4.5		
Title:	Purchasing Guidelines	Rev. March 2019:	

Section 4.5: Purchasing Guidelines

4.5.1 Public Requests for Proposals will be issued for:

- Purchase of furnishings and equipment for which the total price is likely to be more than \$35,000
- Special projects and services for which the cost is likely to be more than \$35,000
- Ongoing contracts for which the annual cost is likely to be more than \$35,000

4.5.2 Requests for Proposals and Quotes may be submitted in collaboration with the City of Airdrie Procurement Services.

4.5.3 All other purchases will be guided by the following:

- Value of \$15,000 to \$35,000: three written quotes required;
- Value of \$2500 to \$15,000: two written quotes required;
- Value of up to \$2500: one verbal quote required.

4.5.4 It is the intent of the Library Board to ensure that the general public has the opportunity to make application for significant projects, sales and services. However, the Director may use discretion in following these guidelines when the value of the project or service may be deemed to be of little significance when judged against the time and work required of companies or individuals in preparing proposals.

Category:	Finance	Date Established:	March 2017
Policy Number:	4.6		
Title:	Capital Assets	Rev. March 2019	

Section 4.6: Capital Assets

4.6.1 For the purpose of this policy, capital assets are defined as items that:

- Are held for use in the production or supply of goods or services, for rental to others, for administrative use, or for the development, construction, maintenance or repair of other capital assets;
- Are expected to be held beyond one year;
- Are not held for re-sale in the ordinary course of operations.

4.6.2 Capital assets should be capitalized according to the following thresholds:

- Leasehold improvements with a cost of over \$500;
- Furniture/shelving with a cost of over \$500;
- Technology with a cost of over \$500;
Note: peripherals (such as monitors, keyboards, UPS's) are not considered capital items and will be booked as operational, irrespective of cost;
- Vehicles with a cost of over \$500.

4.6.3 Capital assets are to be recorded at cost plus all additional charges necessary to place the asset in its intended location and condition of use.

- Purchased assets: the cost of purchased assets is the gross amount paid to acquire the asset exclusive of tax. It includes all costs directly attributable to the acquisition, construction, development or betterment of a capital asset including installing the asset in the location and condition necessary for its intended use.
- Donated or contributed assets: the cost of donated or contributed assets is equal to the fair value at the date of construction or contribution. Fair value may be estimated using market or appraisal values or replacement cost.

4.6.4 The Library reviews the value of long-lived assets whenever events or changes in circumstance indicate that the asset no longer has long-term service potential. When the carrying amount exceeds the fair value of the capital asset, a loss is recognized in an amount equal to the excess.

4.6.5 Amortization is provided for on a straight-line basis at the following rates:

- Leasehold improvements 20 years
- Furniture and shelving 10 years
- Vehicles 10 years
- Technology 3 years

4.6.6 Amortization is charged daily in the year of acquisition as well as the year of disposal.

4.6.7 When capital assets are taken out of service, destroyed, or replaced due to obsolescence, scrapping or dismantling, the Library must record the disposal on its asset sheet and in its accounting records.

Category:	Finance	Date Established: To take effect:	April 2009 January 2010
Policy Number:	4.7		
Title	Reserves	Rev. March 2019	

Section 4.7: Reserves

- 4.7.1 The Airdrie Public Library (APL) recognizes that a critical component of fiscal stewardship is the establishment of Reserves or Stabilization accounts. These accounts maintain a prudent level of available financial resources to protect against the need to reduce service levels and fees due to temporary revenue shortfalls or unpredicted one-time expenditures. Reserve funds also provide resources for repairs/replacement/upgrading or construction of new capital assets/infrastructure, balancing the use of long-term debt with pay-as-you-go financing.
- 4.7.2 All reserve transactions, redesignations, revisions and new reserve requests must be approved by the Board of the Airdrie Public Library.
- 4.7.3 All reserves must be fully described and must include a purpose, application and approval. Unless otherwise stated, all funds are considered committed for the specific purpose as outlined by the reserve.
- 4.7.4 All reserve accounts must be represented in the APL's financial statements.
- 4.7.5 All planned reserve transfers must be represented in the APL's budget documents.
- 4.7.6 All reserves must be reviewed annually by the Library Board to determine if the reserves are still required. When the original intent of the reserve has been met or changed, any remaining amounts in the reserve shall, through an appropriate review and approval process by the Director and Board, be either returned to surplus or redesignated.
- 4.7.7 All expenditures from reserves must have prior approval by resolution of the Board.
- 4.7.8 Redesignation of reserve funds and inter-reserve transfers must receive Board approval prior to the transaction occurring.
- 4.7.9 Reserve transactions will be processed when expenditures occur.
- 4.7.10 Annual budgeted contributions will be completed in the first quarter of the year.
- 4.7.11 Ceiling limits may be established on individual reserves at Board's discretion.
- 4.7.12 Unless approved by the Board for transfer to another reserve, the Library's year-end general operating surplus will be split between the Library's General Operating Reserve and the Library's General Capital Reserve.

Category:	Finance	Date Established:	November 2016
Policy Number:	4.8	Rev.	March 2019
Title:	Investments		

Section 4.8: Investments

- 4.8.1 The Airdrie Public Library shall invest its funds in a prudent manner and provide optimum investment returns within prescribed limits while ensuring the safety of capital, meeting the Library's cash flow requirements and conforming to all appropriate Library policies and provincial statutes and regulations.
- 4.8.2 This policy applies to all investment transactions involving the financial assets and activities of the Airdrie Public Library.
- 4.8.3 The Airdrie Public Library recognizes its fiduciary responsibility for the stewardship of public funds with which it has been entrusted. The prime investment objective is to ensure safety of principal. Investments will be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. The objective will be to mitigate credit risk and interest rate risk.
- 4.8.4 The Airdrie Public Library will minimize credit risk, which is the risk of loss due to the failure of the security issuer or backer by limiting investments to the types of securities identified in this Investment Policy and diversifying the investment portfolio so that the impact of potential losses from any one type of security or from any one individual issuer will be minimized.
- 4.8.5 The Airdrie Public Library will minimize interest rate risk, which is the risk that the market value of securities in the portfolio will fall due to changes in market interest rates, by structuring the investment into distinct segments, each with their own risk profile and time horizon. Current segments are outlined in Schedule A.
- 4.8.6 The Airdrie Public Library shall adhere to prudent investment standards in making investment decisions. Prudent investment standards are those that, in the overall context of an investment portfolio, a reasonable and prudent person would apply to investments made on behalf of another person with whom there exists a fiduciary relationship.
- 4.8.7 Investment officials exercising due diligence and acting in accordance with procedures consistent with this investment policy shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided that appropriate action is taken to minimize adverse developments and that such developments are reported on a timely basis.
- 4.8.8 Investment officials shall refrain from personal business activity that could conflict with the proper execution of and management of the investment program, or that could impair their ability to make impartial decision. They shall disclose annually to the Library Director any interests in financial institutions that the Airdrie Public Library invests with. They shall further disclose any personal financial/investment positions that are related to the performance of the investment portfolio. Additional disclosure of gifts and/or entertainment is required.

4.8.9 Authority to manage the investment program is granted to the Library Director. Responsibility for the operation of the investment program is hereby delegated to the Library Director, guided by this Investment Policy Statement. The Director may further delegate the authority to manage the investment program and to make investments on behalf of the Airdrie Public Library to the money managers or investment firm chosen by the Library Director and Board of Trustees.

4.8.10 Eligible investments will meet the requirements of the Municipal Government Act and conform to any applicable Investment Regulations.

4.8.11 Investments will not be knowingly made in companies which could damage the reputation or role of the Airdrie Public Library or which could be construed to be in conflict with the objectives of the Airdrie Public Library.

4.8.12 This investment policy strictly prohibits the Library from engaging in any non-business related investment activity that would be considered speculative according to the generally accepted principles of conservative investment management.

4.8.13 The Airdrie Public Library will invest only in instruments rated R-1 Low or higher by the Dominion Bond Ratings Service, or A or higher by the Canadian Bond Rating Services for investment terms of 120 days or less and R-1 Mid for investment terms of greater than 120 days.

4.8.14 Investments must be diversified by security type and institution.

4.8.15 Investments of appropriate credit quality may be made subject to the following limits:

Investment Vehicle	Maximum % of Portfolio	Maximum % per issuer
Federal/Provincial Government obligations	100%	Unlimited
Municipal Governments	50%	25%
Canadian Chartered Banks	50%	25%
Canadian Commercial Paper	25%	25%
Corporate Bonds (Non-bank)	75%	25%

4.8.16 The investments will be made with the intention of holding the security to maturity and to the extent possible; the Airdrie Public Library shall attempt to match its investments with anticipated cash flow requirements.

4.8.17 The Library Director shall ensure:

- That all investment certificates issued to the Airdrie Public Library are in the name of or held in the name of the Airdrie Public Library.

- Investments are held either in a safekeeping compartment with the Library's banker or in the possession of the financial institution or brokerage house where the investment transaction was made for the account of the Airdrie Public Library

4.8.18 The Library Director will prepare and submit a report of investment activity and income earned to the Library Board at each regularly scheduled meeting of the Board.

Category:	Finance	Date Established:	November 2016
Policy Number:	4.8	Rev.	March 2019
Title:	Schedule A		

Section 4.8: Schedule A

4.8.1 Asset Mix

4.8.1.1 Carry Forward Reserve (committed)

The objective of the Carry Forward Reserve is to meet projected cash flow requirements for expenditures in the current year. Funds in this segment will be kept in the Library's general bank account.

4.8.1.2 Contingency Reserve (unrestricted)

The objective of the Contingency Reserve is to meet projected cash flow requirements for current expenditures that are not met by the revenue raised in the current year.

Funds will be invested with the purpose of achieving the highest level of safety of principal and liquidity and instruments will be primarily money market in nature with maturities of less than one year (i.e. Government of Canada treasury bills, banker's acceptances, term deposits, etc.). In the case that such investments do not exceed the rate of return of the available deposit rate (i.e. a high interest savings account), the funds will be directed to that for increased liquidity and credit quality.

4.8.1.3 Program Enhancement Reserve (internally restricted)

The objective of the Program Enhancement Reserve is to meet projected cash flow requirements for sponsor-dependant Library programs, in the event that a sponsor cannot be found under a reasonable timeframe to meet a program's obligations.

Funds will be invested with the purpose of achieving the highest level of safety of principal while matching potential shortfall dates – investment maturities will be matched to program funding timelines to ensure that in the case of a sponsor-dependant program going un-sponsored, liquidity is available in the Program Enhancement Reserve. Because of this, maturities for this segment may be as short as one year and as long as deemed necessary by the Library Director.

4.8.1.4 Capital Reserve (externally restricted)

The objective of the Capital Reserve is to meet projected cash flow requirements for the new Library Facility (the "Facility").

Funds will be invested in highly liquid investments such as government bonds versus other investments where the capital is locked in (i.e. guaranteed investment certificates), which have maturities in the 1 year to 3-year range.

4.8.1.5 General Capital Reserve

The objective of the General Capital Reserve is to meet projected cash flow requirements for capital purchases for the new Facility or other Library capital expenditures.

Funds will be invested in highly liquid investments such as government bonds versus other investments where the capital is locked in (i.e. guaranteed investment certificates), which have maturities in the 1 to 3 -ear range.

4.8.1.6 General Operating Reserve

The objective of the General Operating Reserve is to meet projected cash flow requirements beyond those met by annual revenue streams and the Contingency Reserve. The General Operating Reserve is longer term in nature and may be subject to requests for additional funds to meet the cash requirements of the new Facility.

Funds will be invested in highly liquid investments such as government or corporate bonds versus other investments where the capital is locked in (i.e. guaranteed investment certificates).

The rate of return for this portfolio will be measured against the Scotia Capital Markets Index. This return is the combined measurement for income flows as well as realized and unrealized capital gains and/or losses.

4.8.1.7 Smartlocker Reserve (internally restricted)

The objective of the Smartlocker Reserve is to meet projected cash flow requirements for maintenance, upgrade or replacement of the Library's existing Smartlockers.

Funds will be invested in highly liquid investments such as government or corporate bonds versus other investments where the capital is locked in (i.e. guaranteed investment certificates).

4.8.2 **Asset Investment**

4.8.2.1 Carry Forward Reserve

This segment of the portfolio will be kept in cash in the Library's bank account for purposes of liquidity and ease of access.

4.8.2.2 Contingency Reserve

This segment will be invested in bonds and cash equivalent investments, according to the following asset mix ranges, which will allow the Airdrie Public Library to take advantage of prevailing market conditions, preserve the value of the principle while maintaining liquidity.

Investment Type	Maximum Percentage of Portfolio
Cash and Cash Equivalents	100%
Bonds	15%

4.8.2.3 Program Enhancement Reserve

This segment will be invested in bonds and cash equivalent investments, according to the following asset mix ranges, which will allow the Airdrie Public Library to take advantage of

prevailing market conditions, preserve the value of the principle while maintaining liquidity. The investments' time horizon will be adjusted on an ongoing basis to reflect the Library's required cash flow for sponsor-based programs.

Investment Type	Maximum Percentage of Portfolio
Cash and Cash Equivalents	100%
Bonds	80%

4.8.2.4 Capital Reserve

This segment will be invested in bonds and cash equivalent investments, according to the following asset mix ranges, which will allow the Airdrie Public Library to take advantage of prevailing market conditions, preserve the value of the principle while maintaining liquidity. The investments' time horizon will be based on the Airdrie Public Library's estimated schedule of cash flow requirements for the Facility.

Investment Type	Maximum Percentage of Portfolio
Cash and Cash Equivalents	100%
Bonds	100%

4.8.2.5 General Capital Reserve

This segment will be invested in bonds and cash equivalent investments, according to the following asset mix ranges, which will allow the Airdrie Public Library to take advantage of prevailing market conditions, preserve the value of the principle while maintaining liquidity. The investments' time horizon will be based on the Airdrie Public Library's estimated schedule of cash flow requirements for the Facility and/or any other capital expenditures.

Investment Type	Maximum Percentage of Portfolio
Cash and Cash Equivalents	100%
Bonds	100%

4.8.2.6 General Operating Reserve

This segment will be invested in bonds and cash equivalent investments, according to the following asset mix ranges, which will allow for the Airdrie Public Library to take advantage of prevailing market conditions, minimize exposure to short term volatility while maintaining liquidity.

Investment Type	Maximum Percentage of Portfolio
Cash and Cash Equivalents	20%
Bonds	100%

4.8.2.7 Smartlocker Reserve

This segment will be invested in bonds and cash equivalent investments, according to the following asset mix ranges, which will allow for the Airdrie Public Library to take advantage of prevailing market conditions, minimize exposure to short term volatility while maintaining liquidity.

Investment Type	Maximum Percentage of Portfolio
Cash and Cash Equivalents	20%
Bonds	100%