

GUIDELINES FOR AUDIT

1. **BUDGETING:** The Director is responsible for preparing a budget each year. The tax assessor is contacted for the amount of ad valorem that can be projected for the next year. The Director reviews current receipts and expenditures and tries to anticipate increases in expenditures. The budget is designed not to spend more than the revenue unless funds need to be taken from savings.

At the September Board Meeting the new budget is given to the whole Board to examine and review.

The public hearing is scheduled for October to accept the budget.

Notification is in the official journal before the budget hearing and after.

Financial reports are presented at each board meeting which is 6 times a year . . . January, March, May, July, September and November.

The Budget is generally amended at the November Board Meeting.

2. **PURCHASING:** The Library does not use purchase orders. Pricing is done by checking the internet for different companies' prices. The lowest price is chosen. All purchasing of supplies and materials are checked to see if on State Contract. State Contract prices are also checked especially for computers, monitors, and other technology items. Books and materials are on State Contract through the State Library, so the Library uses the chosen vendors. Materials and supplies have to be if over \$30,000 by one vendor to bid. For all others less than \$30,000, prices will be obtained through emails. Emails are filed. State Contract vendor prices will be used when possible. The bid law is followed for construction over \$150,000. All bid materials are kept.
3. **DISBURSEMENTS:** All invoices are examined by the Library Director beginning on the 20th of the month. The Secretary makes sure the items have been received. The codes are checked to be placed in the correct line item. A claim sheet is prepared by the Secretary and the Director checks it. Bills are submitted to the CPA for the checks. The checks are signed by the Director and 1 of 3 board members who are all bonded – two signatures. Then checks are mailed to vendors. The actual invoices are stamped and the Director and the board president signs them. These monthly invoices are filed and kept for 4 years. At the board meetings the expenditures are discussed and a financial sheet is provided.

4. **RECEIPTS:** A weekly deposit is made by the Secretary usually on Fridays. Money is counted and coded that identifies the type of funds. At the end of the month all deposit slips are sent to the CPA to be checked and totaled. Daily at the circulation desks the money for fines, copies, sale of assets, etc. is counted and recorded on the Tally Sheet and or Calendar. The counted amount and the recorded amount should match each day. Monthly statistics for revenue is maintained at the Secretary's Desk.
5. **PAYROLL/PERSONNEL:** The Director recommends salaries for all employees. The Director's salary is decided and approved by the board. The Board approves the salary amount at the time of all budget items. The first new payroll of the year the board president signs it to approve again salaries. The employee decides their federal withholdings and the CPA calculates the retirement, social security, workman's comp and unemployment. Insurance is not provided by the Library and no overtime is allowed.
In Ferriday, the Director files and retains . . . Application-Hires for 6 years, Application of Employment-Non-Hire for 3 years and Time Sheets/Attendance for 4 years.
At the time of the payroll, time sheets are prepared and the employee and Director must sign time sheets. Also at this time, vacation and sick leave are calculated. The hours are submitted to CPA. The time sheets are filed in the Director's office. Time Sheets are retained for 4 years. The employee's application is kept at the Director's office. The employee's W-4 (kept for 5 years) Health Record, L-4, I-9 (kept for 4 years), LA. New Hire/Re-Hire and Retirement Forfeiture forms are retained in the Vidalia office.
6. **CONTRACTING:** The Library has the following contracts that are renewed on a yearly basis:
Copy machines . . . Xerox
Pest Control . . . Bug Busters
Monitoring for security and Fire . . . Communication Services
Maintenance of Webpage . . . Amerinet
The line item for contracts is approved at Budget time.
7. **BANK RECONCILIATION & COLLECTIONS:** The Library's CPA prepares the reconciliation at the end of each month and the library director reviews and initials it when received. The CPA prepares the outstanding

checks within the 12 months and checks may be voided and reissued. All general deposits are made at Delta Bank and special grants are deposited at Concordia Bank. The secretary who prepares the deposits does not work at the circulation desk and does not accept the cash. All branch deposits are sent to secretary. All deposit slips are submitted to CPA at the end of the month. All deposit slips are numbered and verified by CPA. The Branches are about 10 miles from Headquarters and deposits from each of the three branches are generally less than a hundred dollars. The secretary and director check prices and make selections for purchases. The secretary and director examine invoices and billing statements and prepare claim sheet for CPA. All Staff members are bonded.

8. **CREDIT CARD:** One credit card is kept in the office safe. It is only used when a company will not bill the Library. The only authorization is the Director.
9. **TRAVEL AND EXPENSE:** The Library has travel sheets for employees to use that require date, destination, milage reading going and returning, total miles. Food tickets must be presented to be reimbursed. No alcohol can be purchased and no meals for other citizens. These travel/expense sheets are placed in the claims for approval.
- 10.**ETHICS:** All staff and board members are required to take the Ethics test during the calendar year. No one can accept gifts for Library service.
- 11.**DEBT SERVICE:**
The Library has no debt service.