Budget and Budget Reconciliation

Budget Preparation
Each year, it is determined if the library’s revenues are adequate to meet the needs of the community. If the revenues are not adequate to meet the needs of the community, the board of trustees takes action to increase the library’s revenue through a Chapter 414 referendum. In a year in which the Board of Trustees plans to use a referendum for an increase in taxpayer support of the library, a two-year draft budget will be prepared by the director and finance committee no later than the May regularly scheduled meeting. Depending on results of the referendum, the budget or a revised version shall be adopted by the Board of Trustees at the December regularly scheduled meeting.

In a year in which a referendum will not be used, the library director and finance committee shall complete a draft budget for the subsequent fiscal year and present it to the Board of Trustees no later than the regularly scheduled meeting of the Board occurring in the month of October. A final version of the budget shall be adopted by the Board of Trustees at the November regularly scheduled meeting.

The library’s fiscal year runs from January 1 and December 31.

Expenses that Exceed the Budget
The Trustees recognize that not all income and expenses can be accurately predicted. The library director is authorized to make repairs on an emergency basis as per the purchasing policy. Any necessary transfers within a budget category (ending “00”), which will exceed $500 over budget, must be approved by the president or treasurer, and reported to the Board at the next regularly scheduled Board meeting.

Budget Reconciliation
The treasurer is to report any upward deviation in an expense line item to the Board of Trustees at the next regularly scheduled meeting of the Board. The Board must formally acknowledge these deviations at the final board meeting of the year.

The Board shall approve a general budget reconciliation report by the annual meeting, noting differences and expenses incurred during the fiscal year that will need to be accrued into the subsequent fiscal year for payment.

Annual Financial Review
The library’s finances will be reviewed annually by a qualified Certified Public Accountant (CPA). Recommendations for sound financial practice made by the CPA will be reviewed by the finance committee and implemented as determined by the committee.

Purchasing
With the understanding that purchases for library materials are often available through statewide or national discount programs for libraries, the Board of Trustees establishes the following policy:

Library Materials: Books, magazines, AV and other such materials intended for patron use are generally purchased from vendors offering volume discounts or vendors offering a state contract. Materials available only from the publisher are generally purchased with little or no discount.
Supplies, equipment, furnishings, services: Kinderhook Memorial Library prioritizes environmental and social responsibility -- including using local businesses -- in its purchasing practices while balancing that with its own financial responsibility.

Other Commodities, Services and Technology:
Like other association libraries, Kinderhook Library is eligible to participate in the use of state centralized contracts for purchases of commodities, services and technology. This is authorized by Section 163 of the State Finance Law and Section 109-a of the General Municipal Law.

Kinderhook Memorial Library will make use of its eligibility to participate in the statewide OGS purchasing program for capital or one-time purchases of non-library materials for which there are sufficient budget appropriations. In those instances where the purchase of commodities, services and technology falls outside the reach of the statewide program, such as the use of local tradesmen or specialty vendors offering a unique commodity, service or technology, or at the discretion of the board or director as applicable, the following schedule shall apply:

**Purchase Amount Policy**

**Up to $2,000 - Discretion of the Library Director**

$2,001 - $5,000 - Minimum of three documented telephone quotes approved by either the Treasurer or the President prior to purchase and reported to the Board of Trustees

$5,001 up to formal bid amount - Minimum of three written quotes or documented telephone quotes approved by the Board of Trustees

Over $20,000 for supplies and equipment or over $35,000 for capital projects- Formal bid process approved by the Board of Trustees

Emergencies: In the event of an emergency over $2,500, the Director will obtain three verbal quotes if possible. Either the President or the Vice President will approve the expense. The Treasurer will sign the check for the expense.

Vendors previously hired by the Library may be approved for rehire with one written quote and the approval of the Board of Trustees.

**Library Credit Cards/Accounts**
The library’s credit card, issued through the Community Bank Kinderhook in the name of the library director, has a credit limit of $2,500. In addition, the library may maintain credit lines with businesses. Every purchase on the credit card and credit lines is allocated to a budget line by the library director and given to the bookkeeper for payment. Credit statements are reviewed by a current trustee each month and are approved during the review of expenditures process at board meetings. The library director is the only person authorized to use the credit card and credit lines.

Approved 12/6/10
Revised & approved 2/12/12
Revised & approved 3/9/15
Revised & approved 3/21/23