

Receipt and Disbursement of Donated Funds

Donations given without restrictions are deposited in the General Fund (the A Fund) but may be restricted by the Board of Trustees. Donations given with restrictions are deposited into Special Revenue Fund (the CM Fund) or the Permanent Fund (the PN Fund). Generally, these are donations given as a memorial or a bequest.

Donations to the General Fund are administered as follows:

- The Library Director reviews the intent of the donation and refers a recommendation to accept or decline the donation to the Board of Trustees.
- The Board of Trustees may opt to reserve the funds for a purpose allowed by New York State law. Otherwise, the donation will be unreserved and used to fund general operations.

Donations to the Special Revenue and Permanent Funds are administered as follows:

- The Library Director reviews the restrictions and refers a recommendation to accept or decline the donation to the Board of Trustees. See related policy on Gifts (Financial Policy #2102).
- Upon the approval of the Board of Trustees, funds are deposited, as required, as either Special Revenue or Permanent Funds. Internal accounts are created and defined.
- Individual donations of \$250 or more will have their own internal account. Those donations less than \$250 will be grouped with other donations for like purposes (for example, Children's Services). Donations to these broad areas will be recorded.
- All donations are acknowledged, in writing, by the Development Office.
- The Library Director shall include in the financial report, semi-annually, all donations received for the time period.

Disbursement from Special Revenue and Permanent Funds are administered as follows:

- All expenditures are made through the General Operating Fund with Special Revenue and Permanent Funds being transferred into the Operating Fund at time of bill payment. Such expenditures must comply with existing purchase policies. See related policy on Purchasing (Financial Policy #2101).
- Budget modifications are required if the expense is not already included in the operating budget.
- The Business Office will ensure that all expenditures from the Special Revenue and Permanent Funds are in donor compliance.