

DANIEL BOONE REGIONAL LIBRARY

SUBJECT: Investment and Bank Accounts

ADMIN 2-705

BOARD

SECTION: 700 – Fiscal Management

Approved: 01/15/98
Revised: 05/10/07
Revised: 10/14/10
Revised: 10/10/13
Revised: 01/12/18
Revised: 01/16/20

POLICY

Daniel Boone Regional Library (DBRL) will invest all funds under DBRL's control in a manner which will provide DBRL the highest investment return using authorized instruments to ensure the safety of its funds while meeting DBRL's cash flow demands. Investments will remain in conformance with 182.800 RSMo, 110 RSMo and all other applicable Missouri State statutes governing the investment of public funds.

I. Scope of Policy

This investment policy applies to all funds held by DBRL except for DBRL's 401(k) retirement plan, which is covered under Policy 2-716 Retirement.

Boone County tax income will be invested in the Boone County Treasurer's investment pool until requested to meet operational expenses.

II. Bank Accounts

All DBRL bank accounts shall be authorized by the DBRL Board of Trustees. DBRL, when possible, will invest any cash balances on hand in an interest-bearing checking account or sweep investment feature, taking into consideration safety and liquidity objectives.

The Executive Director and/or the Executive Director's designee will be authorized to maintain a checking account to be used to pay the library's expenses.

The Executive Director or the Executive Director's designee will review the library's relationships with area financial institutions every five (5) years by issuing a Request for Proposal (RFP) for banking services. The following criteria will be considered prior to recommending changes in financial product vendors: financial stability of the institution, rates of return on checking and investment accounts, past working relationship, and applicable service fees.

The Executive Director or the Executive Director's designee will report their findings to the Board for their approval or to the DBRL Finance Committee, which will in turn recommend any changes in financial product vendors to the full Board for approval.

Signatures on all accounts will be the Executive Director, Executive Director's designee and/or others that are approved by the Board or individual library boards, as appropriate.

Authorized signers for all bank accounts will be reviewed annually and revised as signatory changes dictate.

PROCEDURE

1. Administrative staff will reconcile all bank accounts monthly. Bank reconciliations are reviewed by the Chief Financial Officer (CFO).
2. Boone County
 - a. DBRL staff will monitor the investment of the Columbia and Boone County Library cash to ensure that the Boone County Treasurer is investing the funds in the same manner as the Boone County funds and according to its [Investment Policy](#). DBRL staff will work with the Boone County Treasurer to ensure the Treasurer has the funds available to meet DBRL's monthly cash needs required for disbursements. Warrants will be issued to transfer funds to the DBRL interest-bearing checking account.
 - b. Monthly reports will be received from the Boone County Treasurer and library administrative staff will record the report's information, including beginning balance, tax revenue received, investment income earned and the ending balance, in the library's accounting system.
 - c. The CFO will reconcile the property tax revenue to the reports received directly from the Boone County Collector.
 - d. Once a year, the Boone County Treasurer's Office will provide a list of investments included in the investment pool so that the CFO may evaluate the compliance with allowable investment types. The CFO will evaluate the rate of return received using the three-month Treasury Bill rate as a benchmark.
 - e. The CFO shall report the market value of the investment portfolio to the DBRL Board of Trustees at least annually.
 - f. The CFO will review the annual Boone County's annual audit for any findings related to the Treasurer's pooled investment fund, and report any concerns to the Executive Director.
 - g. The CFO will report any concerns arising from the monthly reports, Boone County audit or other reports of the investment pool to the Executive Director. Such concerns will be noted in the DBRL monthly financial report to the DBRL Board of Trustees. The Executive Director will convene the DBRL Finance Committee to address concerns and/or recommend action regarding continued participation in the Boone County Treasurer's investment pool.

3. Callaway County

A small balance will be maintained in an interest-bearing savings account at The Callaway Bank. This is required for the Callaway County Public Library staff to get change for the branch cash register.