



# Financial Limits Authority Policy

Section: Administration

Approved: 8/21/1997

Reviewed: 4/17/1993, 5/19/2005, 3/9/2006, 1/17/2008, 5/19/2011

Revised: 10/23/1997, 4/17/2008, 6/20/2013, 6/16/2016, 5/16/2019

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Ultimate responsibility for maintenance and operation of the Library lies with the Board of Trustees. Among the powers and duties of the Board of Trustees described in [Section 15.7 of the Ames Municipal Code](#) are the following:

(8) To have “exclusive control of the expenditures of all portions of the municipal enterprise fund of the city allocated for library purposes by the council, and of the expenditure of all moneys available by gift or otherwise for the erection of library buildings, and of all other moneys, including fines and rentals collected under the rules of the board of trustees.”

(9) To “accept gifts of real property, personal property, or mixed property, and devises and bequests, including trust funds; to take the title of said property in the name of said library; to execute deeds and bills of sale for the conveyance of said property; and to expend the funds received by them from such gifts for the improvement of said library.”

Annual operating budgets and capital improvement plans are prepared by library staff and approved by the Board of Trustees and the City Council. It is the responsibility of the City of Ames to account for all revenue and expenditures as specified in Iowa Code 384.

## Director’s Authority

The Director is responsible for administering the day-to-day operation of the Library, including planning and managing the library’s expenditures and revenues. To carry out these responsibilities effectively, the Board delegates certain authorities to the Director.

The Director is authorized to:

- approve claims for expenditures that are consistent with approved annual budgets.
- offer starting salaries in accordance with “City of Ames Personnel Policies and Procedures.”
- expend funds annually out of trust accounts that are designated for a specific purpose (e.g. the Gilman, Feinberg, and Smith endowments).
- approve expenditure of funds up to a total of \$10,000 annually out of the General Donations account, in accordance with donor intent. Additional expenditures require Board authorization.
- expend grant funds in a manner consistent with the terms of the grant or as approved as part of the annual budget.

## Contracts

The Director is authorized to negotiate and sign agreements for services delivered by the Library that result in revenues of \$25,000 or less. The Director is authorized to negotiate and execute other revenue-producing agreements as approved by the Board.

Upon approval of the budget, award of contracts for services received by the Library for its operational or administrative needs and for purchases consistent with the purpose and terms of any grant received for library purposes with a total amount of less than \$25,000 may be made by the Director, in consultation with the City's Finance Purchasing Division, unless otherwise directed by the Board. The Director is authorized to execute contracts of less than \$25,000 in total contracted amount following approval by the Legal Department.

The Director is authorized to solicit contracts with a total cost of \$25,000 or more in consultation with the City's Finance Purchasing Division. Such contracts will be awarded and approved by the Library Board. Approval by the City Manager or City Council may also be warranted, in accordance with *City of Ames Purchasing Policies and Procedures* or as requested by the Board.

## **Disposal of Library Property**

The Director is authorized to dispose of surplus library property, including but not limited to materials, furniture, equipment, vehicles, supplies, etc. These may be disposed of through procedures set forth in the *City of Ames Purchasing Policies and Procedures*. The Board of Trustees will be notified of the Director's intent to sell any item having a potential value in excess of \$10,000.

## **Reporting**

Library revenues and expenditures from all funds shall be included in financial reports submitted to the Board.

## **References**

[Ames Municipal Code Chapter 15](#) – Libraries

City of Ames Finance Department Purchasing Division Purchasing Policies and Procedures

[Iowa Code Chapter 384](#).– City Finance

[Iowa Code Chapter 392](#) - City Administrative Agencies