



Memo

January 12, 2015

File:

TO: Library Board

FROM: Nicole Deveaux

SUBJECT: Library Financial Governance

This memorandum is intended to assist Board members in understanding the roles and responsibilities of the Library CFO in the financial governance of the Library.

The Library Board Powers and Duties as a Corporation are established by the Library Act and its authority over the operations of the Library is explicit. As stewards of the organization, Board members are responsible for financial governance.

The Board at its own discretion can choose to delegate some of its financial governance responsibilities to an appointed officer. The Board has approved the delegation of some financial governance responsibility to the District's CFO, namely:

- In Section 6 of the NVPPL's Financial Policy approved in 2008, the Library Board designated the District's CFO as one of the two Signing Authorities for all library financial transactions.
- In a resolution passed on June 12, 2012, the Board delegated the authority to the District's CFO for the testing of internal controls and the independent monitoring and reporting of compliance with Board approved financial policies.
- On July 11, 2012 the Library Chair signed the Roles and Responsibilities agreement with the District delegating to the CFO the responsibilities to:
 - Act as the Library Chief Financial Officer
 - Act as an advisor on financial governance and statutory reporting
 - Recommend financial policies and accounting treatments
 - Report on financial control and compliance with approved policies
 - Provide transaction processing and accounting services

In order to assume the financial governance responsibilities delegated by the Board, the CFO needs the authority to ensure that:

- Sufficient and appropriate processes and financial policies are in place so that transactions are bone fide and within management authority
- Adequate documentation is provided and that proper financial controls exist to ensure completeness, accuracy, and authorization of transactions
- Management is aware of its authority and responsibility with respect to financial transactions and their conduct is indicative of a high level of integrity
- Effective, independent policy verification and monitoring processes are present and supported by a direct reporting mechanism to the Board
- Reliable segregation of duties exist over critical financial control functions so that safeguarding of financial assets is ensured
- Financial transactions are consistent with Board strategic priorities, goals and objectives as articulated in the budget
- Access to the Board independent of Management to regularly communicate, update and report on areas over which the CFO has been delegated financial authorities

In discharging her responsibility, the CFO works in collaboration with the Board and Management and is guided by her professional standards and code of ethics.

Respectfully submitted,

Nicole Deveaux, CA
Library Chief Financial Officer