

Director Responsibilities & Board Relationship

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Responsibilities and Functions

The Director is responsible for all business operations of the AAL, including management of the assets, hiring, training, promotion, discipline and termination of employees, establishing and maintaining the business organization to efficiently conduct the management functions. The Director plans for and administers a program providing service in accordance with the AAL's stated purpose, to optimize results in relation to the resources of the agency, and under the general direction of the Board of Trustees.

Director Communication/Counsel to the Board

The Director will provide information and counsel to the Board. Accordingly he/she will:

- Make the Board aware of special events, relevant trends, external and internal changes and the basis upon which any Board policy has previously been established.
- Submit required monitoring data in a timely, accurate and understandable fashion, directly addressing provisions of the Board policies being monitored.
- Solicit staff and external points of view, issues and options as needed for fully informed Board choices.
- Present information in a form that is understandable and of reasonable length.

Delegation to the Director

The Board's job is generally confined to establishing most policies, leaving implementation of Board policy to the Director. All Board authority delegated to staff is delegated through the Director. The Director is authorized to establish all further policies, make all decisions, take all actions and develop all activities in accordance with Board policies and day to day needs.

No individual Board member, officer or committee has any authority over the Director. Information may be requested, but if the request, in the Director's judgment, requires a material amount of staff time, it may be refused. Acting with the authority granted above, the Director may not perform, allow or cause to be performed any act which is unlawful, insufficient to meet commonly accepted business and professional ethics for

the “prudent person” test, in violation of funding source requirements or regulatory bodies, or contrary to explicit Board constraints on Director authority.

Should a situation arise wherein the Director deems it unwise to comply with a Board policy, he/she will inform the Board of Directors.

Areas of Responsibility Delegated to the Director

In the area of human resources, the Director reports both to the Board and to the staff of the AAL, but has ultimate responsibility to the Board.

For the Board:

- Develops and recommends to the Board specific, written long and short range plans for the development of programs and services.
- Maintains appropriate relations with the Board and various Board committees, and keeps them informed.
- Interprets trends in the fields of service in which the AAL is engaged, by maintaining involvement in the professional field as a whole.
- Assists with orientation and training programs for the Board.

For the AAL staff:

- Supervises and directs staff in the performance of their duties.
- Evaluates the performance of staff members.
- Responsible for the personnel of the AAL, including active participation in or approval of personnel actions.
- Oversees volunteer staff activities.

In the area of planning:

- Evaluates the services being provided by the AAL in relation to specified goals and standards, and recommends new programs to the Board.

In the area of finance:

- Prepares AAL budgets and is accountable for control of these resources, once approved.
- Directs all financial operations of the AAL.

In the area of constituent relations:

- Manages all activities including coordinating Board activities in this area.

In the area of public relations:

- Presents the function of the AAL to the community by assisting the Board, through direct involvement and through public relations programs, including personal contact, descriptive program literature and the media.

In the area of interagency relations:

- Maintains appropriate relations with other professional and service groups in the community.
- Maintains appropriate relations with federal, state and local government units.
- Maintains appropriate relations with other agencies in similar fields of service.

In the area of AAL organizational operations:

- Recommends policies to the Board and/or assists the Board in the formulation of policies for the effective and economical operation of the AAL and its programs.
- Ensures implementation of the policies adopted by the Board.
- Has administrative responsibility for maintenance of agency facilities and regular reporting to various bodies.
- Is responsible to ensure that legal obligations of the AAL are met.

Monitoring Director Performance

Performance Review & Evaluation

The Adamstown Area Library Board of Trustees will conduct a formal, written evaluation of the Library Director at the end of each fiscal year. The Board delegates management to the Director and monitors the Director's performance of the delegated duties.

Purposes of the Performance Evaluation

- To provide the Director with clear understanding of the Board's expectations.
- To ensure the Director and the Board are aware of how well the expectations are being met.
- To serve as a formal vehicle of primary communication between the Board and Director.
- To identify the Board's actual concerns so that appropriate action can be taken.
- To demonstrate sound management practices and accountability to municipal officials and the community.

Expectations and Evaluation

Directors are held accountable to many varied and sometimes conflicting constituencies. The Board and the Director must recognize these groups and acknowledge the relationship with each one:

- The general public.
- Elected officials and the appointed governing officer who supervises other municipal departments.
- The library staff members who have diverse personal expectations for their Director.
- Public pressure groups that exert pressure on the Director to respond to their concerns.
- Individual members of the Board of Trustees who have personal priorities for the library and the Director.

Good communication, public relations, a written plan and clear policies will all help the Board and Director to deal with any conflicting expectations. The evaluation method and process can be designed to include input from all these groups, but the final responsibility rests with the Board.

Adamstown Area Library

Library Director Evaluation

Use the numerical scale below to evaluate the performance of the Library Director this past year. Select the number that best indicates your perception of the Director's performance for each of the criteria listed.

Definition of Rating Terms:

4 - Outstanding: The Director's performance is outstanding in comparison to expectations.

3 - Above Average: The Director always meets and frequently exceeds performance expectations.

2 - Average: The Director consistently meets performance expectations and performs in a professional and competent manner.

1 - Needs Improvement: The Director meets only minimally acceptable levels of performance; the Director requires extra direction from the Library Trustees. Need for immediate and significant improvement.

Rating: **A. Relationships with Board**

- _____ 1. Keeps the Board informed on issues, needs and operations of library.
- _____ 2. Offers professional advice to the Board on items requiring Board action, with appropriate recommendations based on thorough study and analysis.
- _____ 3. Supports and executes Board policy and intent to public and staff.
- _____ 4. Seeks and accepts constructive criticism of work.
- _____ 5. Seriously considers, and/or acts on individual Board member's suggestions.

Comments

B. Goals and Objectives

- _____ 6. Provides leadership in developing long and short term goals to accomplish mission of library.
- _____ 7. Keeps the Board updated on implementation of library goals and objectives.

Comments

C. Community and Professional Relationships

- _____ 8. Gains respect and support of the total community on the operation of library.
- _____ 9. Maintains an effective press and media campaign.
- _____ 10. Keeps abreast of local, state and national library issues.
- _____ 11. Participates in local, state and national library associations.

Comments

D. Staff and Personnel Relationships

- _____ 12. Develops and executes sound personnel procedures and practices.
- _____ 13. Develops good staff morale and loyalty to the organization.
- _____ 14. Delegates authority to members appropriate to the positions each holds.
- _____ 15. Recruits and assigns the best available personnel in terms of their competencies.
- _____ 16. Evaluates performance of staff members, giving commendation for good work as well as constructive suggestions for improvement.

Comments

E. Business and Finance

- _____ 17. Keeps informed on needs of the library -- plant, facilities, equipment and supplies.
- _____ 18. Evaluates financial needs and makes recommendations for adequate financing.
- _____ 19. Determines that funds are wisely spent and within budget limitations.
- _____ 20. Supervises operations, insisting on competent and efficient performance.

Comments

F. Personal Qualities

- _____ 21. Maintains high standards of ethics, honesty and integrity in all professional matters.

Comments

Comment and Discussion

What are the three major strengths of the Director?

Are there limitations in the Director's performance?

In the past year, what difficult issues have faced the library and how did the Director bring them to resolution?

What should be the organizational goals and/or personal development goals for the Director for the coming year?

Overall Performance Rating

Based upon the preceding comments and evaluations, check the term which best describes the Director's overall performance for the evaluation period. This may not necessarily be an "average" of your criteria ratings, since some criteria are more important than others. Use the back of this page (or make another one) for further comments and recommendations.

- Outstanding
- Above average
- Average
- Needs Improvement

Thank you for your participation,

The (add year) Director's Evaluation Committee

Board/Director Relationship

The Board recognizes and maintains the following guidelines in the Board's relationship with the Director:

- Good management is recognized as one of the key factors in the success of the organization. The Board approves policies, plans and delegates authority to the Director.
- The Director is responsible for hiring capable personnel within the limitations of Board policy and budget constraints, determining the appropriate compensation, training, supervision, discipline and termination if necessary.
- Board members will refrain from discussing management and personnel issues with personnel other than the Director. The Board, in consultation with the Director, may confer with key personnel at regular or special meetings of the Board.
- Employee issues or concerns should always be addressed with the Director first.
- Authority for management of the AAL will flow through the Board to the Director, and on to personnel.
- The Board recognizes that efficient management of the AAL can exist only through mutual understanding and cooperation between the Board and the Director.
- The Board is responsible for the annual evaluation of the Director's performance.
- The evaluation will be for the purpose of reviewing the Director's performance and providing a basis for consideration of the Director's compensation.

Board Meetings

Conduct of meetings

Meetings shall be conducted in an orderly manner with discussion guided by agenda.

Committee timetable

A calendar and timetable of events of items will be established by the Board annually, before the beginning of the Board year. The calendar will list agenda items that regularly require Board action during specific time frames each year, such as budget approval, renewal of contracts, evaluation of the ED and other standard annual events. The Board will determine the regular meeting dates, time and place.

Special meetings

Special meetings should be called only when the business to be addressed cannot wait until the next regularly scheduled meeting. A special meeting of the Board may be called by the president of the Board or by any two (2) Board members. A call for a special meeting will state the business to be addressed at the special meeting. Every member of the Board must be notified of the special meeting as soon as possible after the need arises. If possible five (5) days prior notice is desirable, electronic communication and voting in lieu of a physical meeting if necessary.

Open Board meetings

It is the policy of the AAL Board to hold open Board meetings using the following guidelines:

- Notice of meetings will be given to the local news media and posted on the AAL website.
- Agendas will be provided to guests at the beginning of the meeting.
- Guests may comment to the Board only at the designated “Public Comment” section on the agenda or when the Board requests public comment.

- When dealing with confidential matters the Board may elect to go into closed session.
- Board committee meetings are not generally open to non-Board members or designated staff except at the invitation of the committee.

Closed meetings

The Board will close its meetings only when:

- Discussion by the Board could harm the reputation and character of any person.
- Information discussed by the Board could have an adverse legal impact on the organization's legal position if the information were public knowledge.
- Information discussed by the Board could have an adverse financial impact on the organization if the information were public knowledge.
- Personnel issues are to be discussed.

To close a meeting, a motion must be made and approved by a majority of the Board stating the reason for closing the meeting. Business conducted in the closed session must pertain directly to the stated purpose for closing the meeting.

Meeting agenda and Board documents

All matters to be considered by the Board will be included on the agenda and provided electronically two days prior to the meeting.

Meeting agendas will be developed by the Director and the Board president.

All Board members may request items be placed on the agenda prior to agenda distribution.

The AAL Board meeting agenda should approximate the following outline:

- Call to order by the Board president or other presiding officer and determination of a quorum.

- Approval of secretary's report
- Review of financial reports
- Public comments
- Director's report
- Standing committee reports and recommendations for Board action
- Special committee/task force reports and recommendations for Board action
- Old business.
- New Business.
- Adjournment

Meetings by electronic communications

Emergency situations may arise whereby some Board members are unavailable to meet in person but available to participate via electronic communications.

All Board meetings in which one or more of the Board members are participating by telephone will be conducted under the following rules:

- All rules for conduct of meetings, including quorum determination, will be followed.
- Minutes of the meeting will be kept. Minutes will be reviewed and adopted by the Board at the next regularly scheduled meeting. Documentation of the proceedings and Board member vote(s) will be recorded.

Public comments

All persons (non-Board members) wishing to speak during public comments will, prior to the meeting, must complete form Public Comment Policy for Adamstown Area Library Board and Request to be Heard Form will be available at every meeting. The form is given to the Board president. Forum procedures will follow the outline on the form (page 16).

Quorum

A majority of all currently elected members of the AAL Board will constitute a quorum for the purpose of conducting official Board business.

Voting

All members of the AAL Board who are present when a question is raised will vote upon the question unless excused by the other members present or unless disqualified by a conflict of interest. Results of the vote will be recorded. Voting on all motions will be by voice unless requested otherwise by a member of the Board, at the direction of the president or required by these policies.

A Board member who is present at a meeting of the Board at which action is taken on any corporate matter, will be presumed to have concurred in the action taken unless the dissent of the Board member is entered in the meeting minutes. Such dissent will be indicated by a simple “no” vote on the action. A Board member who is absent from a meeting of the Board at which action is taken will be presumed to have concurred in the action unless the Trustee files a written dissent with the secretary of the Board within a reasonable time after learning of the action.

Minutes of the Board meeting

Records of all actions of the Board will be set forth in the minutes of the meeting. Minutes will be kept on file as the official record of the AAL Board. It is vital that all members of the Board and the Director be able to participate fully in the discussions and deliberations, so minutes will be recorded in writing during each meeting. Minutes of the meeting are a record of Board actions, not a record of discussion. Minutes of AAL Board meetings will include:

- The date, time and place the regular meeting was called to order.
- The type of meeting – regular, special or continued.
- The name of the presiding officer.
- A statement that a quorum was or was not present.

- The names of those Board members present and the names of those absent.
- Disposition of each motion made.
- If the vote is by roll call, each Board member's vote will be recorded by name.
- Notation of each committee report.
- Notation that financial reports were examined by the Board.
- Notation of time of adjournment of the meeting.

Committee reports or resolutions may be attached to the minutes if these items are important clarification for the minutes of the meeting.

Electronic recording of meetings

To ensure free discussion and debate at meetings of the Board, no electronic recording device may be used by individual Board members, Director or anyone else attending the meetings.

Parliamentary authority

Meetings of the AAL Board will be governed by the parliamentary rules as outlined in "Robert's Rules of Order Newly Revised" in all cases where current bylaws and current Board policies do not apply.

Public Comment Policy for Adamstown Area Library Board and Request to be Heard

The AAL Board of Trustees welcomes you to this meeting. We conduct our meetings in strict compliance with the Commonwealth open meeting laws. That law requires that our Board meetings be open for public observation, but it does not require that the public be allowed to participate in the meetings.

However, we value the ideas and insights of others. Therefore it is the policy of this Board to allow 15 minutes of each meeting for a forum. If you wish to speak to this Board during the “forum” section of the agenda, please complete the form on the bottom of this paper and hand it to one of the Board members before the meeting. Only persons who have completed the form and given it Director or a Board member prior to the convening of the meeting will be permitted to speak.

When the Board reaches the PC section of the agenda, the Board president will divide the 15 minute segment by the number of persons who have requested to speak to determine the amount of time allocated to each person. The Board president will call on these people one at a time to address the Board for no more than the allocated time.

Do not expect the Board to respond at this same meeting. The Board will note your request and respond at a later appropriate time after Board members have an opportunity to deliberate about the request.

At other times during this meeting, Board members may wish to ask for information from persons in the audience, but please refrain from comment unless the Board asks you to comment. Board members are always anxious to hear from constituents outside the meeting, but our meeting agenda is usually full and does not allow us time for a continuous open forum. Thank you for helping us conduct an open and orderly meeting.

Request To Speak To the Adamstown Area Library Board during Public Comments

Your name:

Phone:

Email address:

Group/organization you represent, if any:

Subject about which you will speak:

Organizational Finance

Fiscal Year

The AAL fiscal year will be the first day of January to the last day of December.

Financial management

Financial resources of the AAL are the responsibility of the Board of Trustees.

The Board will:

- Have a clear plan for acquisition of financial resources to pay for the programs and services provided by the AAL.
- Provide guidelines for management and allocation of financial resources which will produce optimum benefits for those we serve.
- Monitor and evaluate the financial plans and guidelines of the AAL to ensure its financial integrity.

Budgeting

An annual operating budget will be prepared by the Director, in consultation with the president of the Board, and presented to the Board for approval at least sixty (30) days prior to the beginning of the next fiscal year. The budget will reflect the cost of carrying out the programs and services of the AAL for the next fiscal year. This budget will also reflect the anticipated revenues of the AAL.

The budget will be viewed by the Board as their financial plan for the AAL. Approval of the budget by the Board will authorize for the Director to manage the AAL's finances according to the plan without seeking further approval of the Board. However, the Director will keep the Board well informed of the ongoing status of the financial plan, and will not make expenditures outside of the budget plan without seeking Board approval to amend the budget. Amendments to the budget will be presented to the Board for approval for any of the following reasons:

- The AAL wishes to enter into contracts that were not included in the approved budget.
- Management proposes a major expenditure that was not included in the approved budget.
- Significant unanticipated revenues are received or cost overruns occur.

Signing checks

Authorized signatories for all general fund accounts must include two of the following:

The president of the Board; the treasurer of the Board; the secretary of the Board; or the Director. If it is felt necessary, others may be designated by the Board.

It is the responsibility of the Director to ensure that signatures can be obtained from appropriate signatories so that payment can be made on the obligations of the AAL. It is also the responsibility of the Director to ensure that adequate controls and safeguards have been established to ensure disbursement of funds only for proper purposes.

It is the responsibility of all check signers to ensure that there is adequate documentation, consistent with good internal controls, for valid payment of checks they sign.

Use of credit cards

The Director will recommend to the Board those staff members authorized to use an AAL credit card. The Board will approve and maintain a list of authorized individuals. Credit cards will only be used for appropriate AAL business, and all uses will be appropriately documented. The AAL credit card will not be used for personal expenditures.

Monthly reports of credit card billings will be provided in the vendor report to the Board.

Investment practices

Funds not required for current operations will be invested according to an investment plan approved and reviewed annually by the Board.

The treasurer will present reports to the Board at least quarterly which show the status of all investments, including the rate of return and current market value.

All investments must be government insured and guaranteed, unless otherwise approved by the Board.

Director limitation

The Director may not risk financial losses to the AAL beyond those that may occur in the normal course of business. The Director will:

- Ensure against embezzlement, casualty losses to full replacement value and against liability losses (to Board members, organization or staff) beyond the minimally acceptable prudent level.
- Ensure that facilities and equipment are properly maintained.
- Limit exposure of the AAL, the Board or staff to liability claims.
- Disburse funds only under controls sufficient to meet the Board-appointed auditor's standards.
- Ensure off-site backup of all computer and other financial records necessary for uninterrupted operation of the AAL.

Charitable donations

Because of the nature of the mission of the AAL, we do not make charitable donations.

Bad debts owed to the AAL

If the total receivable from any one individual or organization is \$100 or less, the Director may authorize the debt to be written off if he/she believes the debt is uncollectible. Write-offs of debts over \$100 which the Director believes uncollectible may be authorized only by a vote of the Board of Directors.

Delinquent accounts may be assigned for collection to either legal counsel or a collection agency or taken to small claims court as the Director deems appropriate.

Operating Reserves Policy

Purpose

The purpose of the Operating Reserves policy for the Adamstown Area Library is to ensure the stability of the mission, programs, employment, and ongoing operations of the organization. The Operating Reserve is intended to provide an internal source of funds for situations such as a sudden increase in expenses, one-time unbudgeted expenses, unanticipated loss in funding, or uninsured losses. The Reserve may also be used for one-time, nonrecurring expenses that will build long-term capacity, such as staff development, research and development, or investment in infrastructure. Operating Reserves are not intended to replace a permanent loss of funds or eliminate an ongoing budget gap. It is the intention of Adamstown Area Library for Operating Reserves to be used and replenished in a timely manner.

Target

The target minimum Operating Reserve Fund is equal to a minimum of three and a maximum of six months of average operating costs. The calculation of average monthly operating costs includes all recurring, predictable cash expenses such as salaries and benefits, occupancy, office, travel, program, materials purchases and ongoing professional services. Depreciation, in-kind, and other non-cash expenses are not included in the calculation.

The amount of the Operating Reserve fund target minimum will be calculated each year after approval of the annual budget, reported to the Finance Committee/Board of Trustees, and included in the regular financial reports.

Accounting for Reserves

The Operating Reserve Fund will be recorded in the financial records as Board-Designated Operating Reserve. The Fund will be funded and available in cash or cash equivalent funds. Operating Reserves may be commingled with the general cash and investment accounts.

Funding of Reserves

The Operating Reserve Fund will be funded with surplus unrestricted operating funds. Annually, after receiving the audit report, the Finance Committee will recommend to the Board of Trustees for approval the portion of any surplus to be applied to the Operating Reserve Fund. The Board of Trustees may also from time to time direct that a specific source of revenue be set aside for Operating Reserves. [e.g. one-time gifts or bequests, special grants, or special appeals.]

Use of Reserves

Identification of appropriate use of reserve funds:

The Executive Director and staff will identify the need for access to reserve funds and confirm that the use is consistent with the purpose of the reserves as described in this Policy. This step requires analysis of the reason for the shortfall, the availability of any other sources of funds before using reserves, and evaluation of the time period that the funds will be required and replenished.

Authority to use operating reserves:

The Executive Director will submit a request to use Operating Reserves to the Finance Committee of the Board of Trustees. The request will include the analysis and determination of the use of funds and plans for replenishment. The organization's goal is to replenish the funds used within twelve months to restore the Operating Reserve Fund to the target minimum amount.

Reporting and monitoring:

The Executive Director and Finance Committee are responsible for ensuring that the Operating Reserve Fund is maintained and used only as described in this Policy. Upon approval for the use of Operating Reserve funds, the Treasurer will maintain records of the use of funds and plan for replenishment. He/she will provide regular reports to the Finance Committee/Board of Trustees of progress to restore the fund to the target minimum amount.

Review of Policy:

This Policy will be reviewed every other year, at minimum, by the Finance Committee, or sooner if warranted by internal or external events or changes. Changes to the Policy will be recommended by the Finance Committee to the Board of Trustees.

Restricted Reserves

Restricted reserves are set aside for a specific purpose such as a building campaign, renovation or other specific purpose of how the money shall be used consistent with the purpose intended by donor/grantor for that specific amount. There will be a disclaimer on the website and our fundraising materials that if the donations we receive toward any campaign, renovation or other specific purpose exceed the expenses needed, the remainder (excess) of the funds will be used toward general operating expense.

Building and Capital Asset Reserve

The building and Capital Asset Reserve is intended to provide a ready source of funds for repair or acquisition of building, leaseholds, furniture, fixtures, and equipment necessary for the effective operation of the organization and programs the target amount of the Building and Capital Asset Reserve will be determined by the Board of Trustees.

Approved by the AAL Board of Trustees on July 10, 2019 at a regular scheduled board meeting.

Adamstown Area Library Capitalization Policy

Adamstown Area Library has adopted this Capitalization Policy as of July 11, 2018

1. Purpose

This accounting policy establishes the minimum cost (capitalization amount) that shall be used to determine the capital assets that are to be recorded in Adamstown Area Library accounting records for both book and income tax purposes.

2. Capital Asset definition

A "Capital Asset" is defined as a unit of property that: (1) has an economic useful life that extends beyond 12 months; **and** (2) was acquired or produced for a cost of \$750 or more. Capital Assets must be capitalized and depreciated.

3. Capitalization thresholds

Adamstown Area Library establishes \$750 as the threshold amount for minimum capitalization. Any items costing below this amount should be expensed. The threshold amount will be measured on a per item, per invoice basis.

4. Capitalization method and procedure

All Capital Assets are recorded at historical cost as of the date acquired.

Tangible assets costing below the aforementioned threshold amount are recorded as an expense. In addition, assets with an economic useful life of 12 months or less are required to be expensed.

5. Recordkeeping

Invoice substantiating the acquisition cost of each unit of property shall be retained for a minimum of four years.

By: Michael R. Wetherhold
Name

AAL Board Treasurer
Title


Signature

7/15/18
Date

Capitalization Policy