**AUTHORITY OF THE BOARD POLICY**

APPLIES TO: STLS Board of Trustees

REFERENCES: New York State Education Law, Sec. 226 *Powers of Trustees of Institutions:*  NYS Code of Rules and Regulations, Part 90.6c [11, 12] *Financial accounting in cooperative library systems and reference and research resources systems.* NYCRR 90.9c [12]; *Handbook for Library Trustees of New York State.*

INTRODUCTION

The Board of Trustees of the Southern Tier Library System has broad authority to establish policy and manage the affairs of the System. As an educational corporation chartered by the Regents of the State of New York, this authority is granted to the STLS Board of Trustees by Section 226 of the New York State Education Law, Powers of Trustees of Institutions.

The authority delegated by law to the Board shall be applied as follows. As its prime responsibility, the Board shall ensure that the System is accountable to its members and the public for the System’s finances, property, and programs. The Board will comply with all applicable laws and ethical standards, protect the rights of its staff and members, and exercise fiduciary responsibility in the use of public and private funds.

The oversight authority of the STLS Board includes, but is not limited to: (1) the commitment of all System funds; (2) the disbursement of all System funds, originating from both governmental and non-governmental sources; (3) the review and approval of all contractual commitments to be made by the System; (4) the review and approval of all personnel actions, both of an individual and organizational nature; (5) the delegation of authority where appropriate to individual STLS trustees or members of the STLS staff; and (6) ensuring that the Board acts as a collective authority when interacting with the public, STLS staff and STLS member libraries.

COMMITMENT OF FUNDS

For those individual items, systems, and services included in an annual budget previously approved by the Board and not exceeding $20,000.00 in value, the Executive Director, or his or her designate, may proceed with purchase actions with a vendor as required without additional specific approval by the Board. Individual items, systems, and services, whether included in an approved budget or not, but exceeding $20,000.00 in value, require additional specific approval by the Board before a purchasing action may be initiated with a vendor, except expenditures for those items which have previously been specifically approved by the Board when the grant applications were approved, and the item description of value has not changed. Board approval must be received before moving funds from contingency to pay for an identified need.

The Executive Director may authorize the purchase of an item or service up to $5000.00, even if it is not an approved budget item. In the event of an emergency expenditure exceeding $5000.00, the Executive Director shall ask the President of the Board to poll the Executive Committee of the Board to obtain approval of the expenditure. This action will be reported at the next regular Board meeting.

DISBURSEMENT OF FUNDS

In conformance with the New York State Code of Rules and Regulations, Part 90.6c[11,12] *Financial accounting in cooperative library systems and reference and research library resources systems* (8NYCRR90.6c[11,12]) the STLS Board of Trustees shall disburse all library funds only on the basis of itemized vouchers which have been certified by the claimants or the purchasing agent and audited and approved by the Board except as otherwise provided below.

(1). At the beginning of each calendar year, the STLS Board of Trustees shall appoint an individual to be designated as Auditor and an individual to be designated as Alternate Auditor. These persons shall act on behalf of the Southern Tier Library System and shall be considered employees of the System only while performing the duties of Auditor and shall not receive any benefits or rights of regular employees. These individuals so designated may not hold the office of Financial Clerk or Treasurer and they shall be bonded with such penalties and sureties as the Board may require. The Auditor and/or Alternate Auditor shall be authorized by the Board to act on its behalf in the disbursement of all STLS funds in the manner required by 8\_NYCRR90.6c [11}. The Auditor and/or Alternate Auditor shall formally examine in each case, a vendor claim form together with its supporting documentation, including but not limited to an original invoice, background ordering information as prescribed by policy, a purchase order if one has been issued, and documentation to show receipt and acceptance of the item or service. The auditing process should determine:

* That the proposed payment is for a valid and legal purpose:
* That the obligation was incurred by an authorized STLS official[[1]](#footnote-1)
* That the items for which payment is claimed were in fact received, or to ensure that in the case of services, that they were actually rendered;
* That the obligation does not exceed the available funding; and
* That the submitted vendor claim form is in proper form, mathematically correct, does not include previously paid charges and is in agreement with the purchase order or contract.

The Executive Director or his or her designate is authorized to sign Purchase Orders, Invoices marked with a vendor claim stamp, and vendor claim forms and will do so before the Auditor or Alternate Auditor examines the packet. The Executive Director is the only staff member authorized to sign the Purchase Order form for approval of payment. The Board Auditor shall examine each packet in accordance with the provisions of this policy and initial the vendor claim form or vendor claim stamp for approval of payment.

To ensure the timely payment of bills, the audit activity described above shall take place within the existing bi-weekly bill payment schedule.

In the case of inconsistencies pertaining to the review of Accounts Payable, all actions by the Board Auditor and/or Alternate Auditor will be available for review at the next regularly scheduled Board meeting.

(2). If by sickness or any other cause the Auditor or the Alternate Auditor is unable to perform his or her duties the Executive Committee may undertake the Auditor’s responsibilities: The STLS Board President will appoint an eligible member of the Executive Committee to perform the audit.

(3). In conformance with the provisions of 8\_NYCRR90.9c [12], the STLS Board may provide by resolution that amounts due upon contracts, for fixed salaries or for compensation of employees regularly engaged at agreed periodic rates, may be paid without prior audit upon submission to the STLS Treasurer of a voucher or payroll duly certified by the STLS Executive Director or his or her duly authorized representative. The STLS Board may, by resolution, annually pre-authorize the disbursement of funds to pay most recurring bills such as utilities, etc. This may be done without prior audit, upon submission to the STLS Treasurer of a voucher. The Board shall then formally approve the disbursement action after the event at the next Board meeting. One of the Board signatories shall sign all checks.

CONTRACTUAL COMMITMENTS

The Executive Director or a staff member designated by the Executive Director or a Trustee designated by the President of the Board of Trustees shall negotiate all contracts, except as otherwise provided in paragraphs (1) and (2) below. The Board of Trustees shall approve all contracts involving capital projects, loans, real property leases, grant applications, consultant agreements and major procurements in which a statement of work is required to define the task. The Executive Director shall perform appropriate review and analysis of a proposed contract or contract renewal, or amendment to a contract before submitting it to the Board for approval. If there are issues related to the proposed contract that cannot be resolved at the Board meeting at which the contract is discussed, the President of the Board shall assign the contract to the appropriate committee for further review. A multi-year contract, once approved, does not have to go through the approval process in subsequent years, as long as the terms of the contract are unchanged. Board approval is not required for normal maintenance or service contracts that relate to day-to-day operations. The commitment of funds for these contracts is covered by the STLS Purchasing Policy. All approved contracts shall be signed either by the President or the Executive Director, except as noted below.

(1). Contract negotiations by the System with the Staff Organization of the Southern Tier Library System shall be conducted by an ad-hoc negotiating committee selected by the Board President. Prior to the opening of formal negotiations, the ad-hoc negotiating committee shall make recommendations for negotiating points, issues, and a financial commitment cap to the Board of Trustees for their approval or modification. The Executive Director will participate in the negotiations and the discussions of the ad-hoc committee in an advisory role. The final text of a new contract with the Southern Tier Staff Association shall be submitted to the Board for approval. If approved by the Board, the contract shall be signed byt the Board President on behalf of the Southern Tier Library System.

(2). Any negotiations potentially leading to a formal employment contract (not an ‘at will’ arrangement) with a candidate for the position of Executive Director shall be conducted by an ad-hoc negotiating committee selected by the Board President. If a contract results from the negotiation, it shall be signed by the Board President.

PERSONNEL ACTIONS

The Board of Trustees is solely responsible for the hiring of a professional and competent STLS Executive Director. The Board is also responsible for the evaluation of the Executive Director’s performance on a regular basis and for the termination of the Director’s employment when this action is required. The Board creates all other positions, establishes salaries, and formally appoints and discharges staff on the recommendation of the Executive Director. In conformance with the provisions of New York State Education Law (Section 226-7, *Officers and employees* and 226-8, *Removals and suspensions*) the STLS Trustees shall approve all personnel actions a legal meeting of the Board.

The Executive Committee is authorized to appoint staff on behalf of the Board only in the following circumstances; to fill a vacant staff position, other than that of Executive Director, that has already been authorized by the Board and funded in the annual budget where action by the full Board may cause an unacceptable time delay injurious to the well-being of the System. As required by the STLS By-Laws, the chairman of the Executive Committee shall report the Committee’s actions to the Secretary for distribution to the Trustees at the time of notification of the next Board meeting.

Personnel actions are not final until they have been approved by the Board or Executive Committee as described above. In any personnel action at STLS, whether involving a current or potentially new employee, the individual involved should be made aware that he or she has not been formally hired or separated from employment by STLS until Board action has been completed.

DELEGATION OF AUTHORITY

In certain circumstances the Board may delegate authority to the Executive Director. The scope and degree of this delegation is documented in this and other policy documents, in the by-laws of the System, in the job description of the position of Executive Director and any associated employment contract.

BOARD INTERACTIONS WITH THE PUBLIC, STLS STAFF, AND STLS MEMBER LIBRARIES

The STLS Board of Trustees exercises a collective authority. As noted in the *Handbook for Library Trustees of New York State,* “Individual trustees, regardless of their position

on the Board, do not have the power to command the services of a staff member, nor to speak or act on behalf of the System unless they have been specifically granted that authority by a vote of the Board.” Every STLS Trustee is expected to publicly support, as the Board’s official position, all decisions adopted by the Board. Should a Trustee disagree with any Board decision, he or she should first address the whole Board with those concerns at a regularly scheduled Board meeting.

Under the First Amendment of the United States Constitution, the rights of a Trustee who strongly disagrees with a Board decision are protected, should he or she speak out publicly against it. However, in such instances, the individual must make it clear to all concerned that he or she does not represent the Board’s position in the matter.

*Adopted by the STLS Board of Trustees April 19, 2011 to be effective July 1, 2011*

*Revised policy adopted by the Board of Trustees July 19, 2011 effective July 19, 2011*

*Revised policy adopted by the Board of Trustees November 15, 2011 effective November 15, 2011*

*Revised policy adopted by the Board of Trustees April 17, 2012 effective April 17, 2012****Revised by the Board of Trustees June 21, 2016.***

1. “official” means any person authorized to act on behalf of STLS [↑](#footnote-ref-1)