

The Role of the Treasurer

Obligations and Options

Required by State Law (strongly suggested)

Your Town or City must vote to allow the Trustees to accept unanticipated money and donations (RSA 202-A:4-c)

The treasurer is not a
required position!

A bookkeeper may be hired to pay bills.

Have a backup!

At least one other trustee should be a signatory for all library bank accounts.

Donations of \$5,000 or more
require a public hearing for
acceptance

For funds less than \$5,000, the
Trustees shall post notice in the
agenda and be accepted in a public
meeting. RSA 202-A:4-c

It is recommended the town or city vote to allow the library to retain money received from income-generating equipment.

RSA 202-A:11-b

Any funds in trust shall be reported to the Attorney General

This is the duty of the trustees of the trust funds RSA 202-A:12-a

Library Trustees and Alternates Must be Bonded

RSA 41:6

A general Link to RSA's

It is generally accepted the rules for trustees of the trust funds apply to library trustees.

NHLTA Trustee Manual (p. 27)

RSA 31:25

1. Collateral Required
2. Securities must be approved by the Bank Commissioner
3. Deposits must be in state or federally chartered bank or credit union or public deposit investment pool.
4. The trustees shall formally adopt an investment policy (confirmed annually)

So where are the other
rules?

In the by laws!

Trustees should (must?) create bylaws rules, and regulations.

1. Election and terms of officers
2. Regular Meetings
3. Designation of responsibilities
4. Provisions for making amendments

What's in the Investment Policy?

1. Conform to federal, state and other legal requirements
2. Applicable to all funds
3. General objectives (next slide)
4. Standards of care (the 'prudent person' standard (two slides hence))
5. Avoid conflicts of interest
6. Who's responsible?

General Objectives

1. Safety
2. Liquidity
3. Yield
4. Local Considerations (Bank)
 - a. Safety
 - b. Convenience
 - c. Service
 - d. Yield

The Prudent Person Standard

1. Investments made with judgment and care (considering the probable safety of the capital as well as probable income to be derived)
2. Officers and employees involved in the investment process shall refrain from personal business activity that could conflict with proper management of the investment activity.
3. Authority is granted to the Treasurer (Investment Officer).