



STAFF REPORT ACTION REQUIRED

Financial Control Policy – Update

Date: December 5, 2022

To: Toronto Public Library Board

From: City Librarian

SUMMARY

The purpose of this report is to seek Toronto Public Library Board approval for a revised Financial Control Policy (FCP), which is being updated to meet organizational and operational needs for Toronto Public Library (TPL) and continues to be aligned with the City's Financial Control By-law (City's By-law).

For operational efficiency and to reflect the impact of inflation over the past 19 years since the limit was established, the only substantial proposed changes to the FCP are to:

- increase the authority for the City Librarian to make a commitment under an open competitive procurement from \$500,000 to \$750,000; above \$750,000 requires Board approval; and
- provide the City Librarian with authority to increase the value of a commitment made under an open competitive procurement, and which was previously approved by the Board, from \$500,000 to \$750,000; cumulative increases to a commitment above \$750,000 require Board approval.

Other changes are minor in nature and continue to recognize the Board's governance and oversight role.

TPL's proposed FCP has been reviewed by a solicitor from City's Legal Services Division.

RECOMMENDATIONS

The City Librarian recommends that the Toronto Public Library Board:

1. approves the revised Financial Control Policy appended as Attachment 1.

Implementation Points

A revised schedule of delegation of commitment and spending authority from the City Librarian to staff will be prepared for implementation after approval of the revised Financial Control Policy.

FINANCIAL IMPACT

This report will have no financial impact beyond what has already been approved in the current year's budget.

The Director, Finance & Treasurer has reviewed this financial impact statement and agrees with it.

ALIGNMENT WITH STRATEGIC PLAN

The FCP, in conjunction with the Purchasing Policy, produce a financial control framework which demonstrates openness, fairness and accountability to support the Financial Stewardship strategic objective within TPL's 2020-2024 Strategic Plan.

EQUITY IMPACT STATEMENT

The FCP will support financial stewardship and allow TPL budget spending in a manner which will have a positive impact on many equity-deserving groups, including newcomers and low-income families and individuals, and also advance key City strategies including those targeted for youth, seniors and anti-racism.

DECISION HISTORY

At the meeting on June 9, 2003, the Board approved the [Financial Control Policy](#), which established City Librarian's commitment authority at up to \$500,000.

The last complete review of the [Financial Control Policy](#) was at the Library Board meeting on November 22, 2010. Provisions were introduced to allow the Library to accept and spend revenues received from the Toronto Public Library Foundation and other sources, not covered by the previous policy.

At the meeting on May 21, 2019, the Board approved the [Purchasing Policy](#), which replaced the Procurement Processes Policy and incorporate procurement sections from the Financial Control Policy at the time. Accordingly, the Board also considered [Financial Control Policy – Revised](#) and approved a new FCP which was revised to remove procurement references that had been transferred and incorporated into the new Purchasing Policy.

ISSUE BACKGROUND

The FCP establishes how the operating budget and capital budget for the Library Board is approved. The policy also establishes the Board's commitment and spending authority and, in turn, how the Board delegates its commitment and spending authority to the City Librarian. All expenditures of the capital and operating budgets are made in accordance with this policy. The policy is based on the City's Financial Control By-law with modifications to meet the Library's governance, organizational and operational requirements.

The FCP is reviewed on a periodic basis to ensure that it meets organizational and operational needs and remains aligned with the City's Financial Control By-law.

The City published its [Toronto Municipal Code, Chapter 71, Financial Control](#) (City's By-law) dated October 2, 2020, and this forms the basis for updating TPL's FCP.

COMMENTS

TPL's FCP differs from the City's By-law primarily to: recognize the Library's governance and organizational structure; recognize the role of the City librarian as prescribed by the Public Libraries Act; and to permit TPL to accept and spend revenues received from the Toronto Public Library Foundation and others.

For operational efficiency and to reflect the impact of inflation over the past 19 years when the limit was established, the only substantial proposed changes to the FCP are:

- to increase the authority for the City Librarian to make a commitment under an open competitive procurement from \$500,000 to \$750,000; above \$750,000 requires Board approval; and
- to provide the City Librarian authority to increase the value of a commitment made under an open competitive procurement, and which was previously approved by the Board, from \$500,000 to \$750,000; cumulative increases to a commitment above \$750,000 require Board approval.

This proposed commitment limit is in line with that for the heads of comparable Agencies and Boards. Other changes are minor, mainly stylistic and formatting in nature, and continue to recognize the Board's governance and oversight role. The key changes to the FCP are summarized below.

1. Commitments (FCP 8.1)

Open competitive procurements

The City Librarian's commitment authority limit is currently \$500,000 and this has not changed in 19 years. In response to the impact of inflation over the years, the proposal is to increase the commitment limit for the City Librarian, for open competitive procurements in accordance with the Purchasing Policy, from \$500,000 to \$750,000 for operational efficiency (FCP 8.1.1).

Commitments under an open competitive procurement in excess of \$750,000 will require Board approval (FCP 8.1.2), except for emergencies.

Limited solicitation and non-competitive procurements

For commitments made under limited solicitation and non-competitive procurements in accordance with the Purchasing Policy, the City Librarian's commitment authority will remain at up to \$500,000 (FCP 8.1.1), and amounts over \$500,000 will require Board approval (FCP 8.1.2), except for emergencies.

Delegation

The City librarian will continue to have the authority to delegate commitment authority to a Director up to the City Librarian's authority for that type of procurement (FCP 8.1.3).

2. Over-expenditures on Commitments (FCP 8.2)

Open competitive procurements - not previously awarded by the Board
For commitments made in accordance with the Purchasing Policy for an open competitive procurement which were not previously approved by the Board, the City Librarian will be authorized to increase the value of the commitment, provided that the total value of the commitment is less than or equal to \$750,000 and there is adequate budget funding. This is an increase from the current level of \$500,000. Board approval is required when the total value of the commitment exceeds \$750,000.

Limited solicitation and non-competitive procurements - not previously awarded by the Board

For commitments made under limited solicitation and non-competitive procurements in accordance with the Purchasing Policy which were not previously approved by the Board, the City Librarian is authorized to increase the value of the commitment, provided that the total value of the commitment is less than or equal to \$500,000 and there is adequate budget funding. This is unchanged from the current policy. Board approval is required when the total value of the commitment exceeds \$500,000.

Open competitive procurements - previously awarded by the Board

For commitments made in accordance with the Purchasing Policy for an open competitive procurement, which were previously approved by the Board, the City Librarian will be authorized to increase the value of commitment by up to \$750,000 if there is adequate budget funding. This is an increase from the current level of \$500,000. Board approval is required when the total cumulative increase to the commitment exceeds \$750,000.

Limited solicitation and non-competitive procurements - previously awarded by the Board

For commitments made under limited solicitation and non-competitive procurements in accordance with the Purchasing Policy, which were previously approved by the Board, the City Librarian is authorized to increase the value of the commitment by up to \$500,000 if there is adequate budget funding. This is unchanged from the current policy. Board approval is required when the total cumulative increase to the commitment exceeds \$500,000.

Delegation

The City librarian will continue to have the authority to delegate commitment authority to a Director (FCP 8.2.1) up to the City Librarian's authority for that type of procurement.

3. Purchasing Policy

The Purchasing Policy includes reference to the City Librarian's commitment authority within the FCP and since the limit is being increased from \$500,000 to \$750,000, for open competitive procurements, this will need to be revised in the Purchasing Policy and this is addressed in a separate report at this meeting.

Also, a section of the current FCP, which relates to awards during the summer or when there are no scheduled Board meetings, will be moved from the FCP to the Purchasing Policy where it is more appropriate:

13.6 City Librarian – Extended Authority

13.6.2 If the City Librarian makes an Award under clause 13.6.1, the Award shall be reported to the Board at the next regularly scheduled Board meeting.

Other sections of the FCP which are already included in the Purchasing Policy approved by the Board on May 21, 2019, were removed from the FCP.

4. Write-offs

The City Librarian's authority to write off an outstanding account is being raised from \$10,000 to \$25,000 provided that reasonable efforts have been made to collect the outstanding account (FCP 12.1). Write-offs of accounts over \$25,000 require Board approval (FCP 12.2). Write-offs of this magnitude would generally only occur with facility rentals and tenant leases.

5. Toronto Public Library Foundation

The current provisions allow the City Librarian to accept and spend revenues received from the TPL Foundation if they are part of the Board-approved funding priorities. If the revenues are not part of the approved priorities, the City Librarian is currently authorized to accept and spend up to \$250,000.

For operational effectiveness, the proposed change (FCP 14.2) is to authorize the City Librarian to accept and spend revenues which are not on the approved

priorities in excess of \$250,000 and up to \$750,000 provided: there are no scheduled board meeting for two months or longer; the revenues comply with all TPL policies; and the revenues are reported at the next Board meeting.

6. Other Revenues

For other revenues received by TPL, including grants and donations and revenue generation activities, the proposal is to increase the limit for reporting to the Board from \$50,000 to \$250,000 for operational efficiency (FCP 15.3) as the aggregated revenue information is already included in the budget monitoring reports.

7. Sponsorship

Similar to the City's By-law, provisions have been added to the FCP which allow the City Librarian to execute an agreement, and accept and spend funds provided under a sponsorship, provided they comply with the Sponsorship Policy (FCP 16).

8. Schedule A – Non-Purchase Order Payments

This schedule has been updated to be consistent with the City's By-law. Minor changes include adding:

- Reference to the Business Expense Policy for reimbursement for conference, seminars and business travel;
- Costs associated with payments for Council-approved land purchases, leases and expropriations;
- Costs related to supporting labour negotiations including hotel accommodation, meeting room rentals, catering and technical services;
- Honorarium amount not to exceed \$500;
- Additional situations where payments are made to City Divisions, Agencies and Corporations;
- Payment to police officers for off duty services performed on behalf of the Library;
- Payments to Council-appointed citizen members of Toronto Public Library Board;
- Non-union secondments from an external organization; and
- Payments to landlords at rental facilities outside of regular lease payments for maintenance repairs which are the responsibility of the

Library as renter, and the contractors are determined by the landlord for repairs.

TPL's proposed FCP has been reviewed by a solicitor from the City's Legal Services Division.

CONTACT

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SIGNATURE

Vickery Bowles
City Librarian

ATTACHMENTS

Attachment 1 – Financial Control Policy (draft for approval)

Policy Title: Financial Control Policy
Policy Classification: Board Policy

Page #

Financial Control Policy

Policy Classification: Board Policy

Motion # and Approval Date:

Motion # and Last Revision Date: 19 - 106 – May 21, 2019

Effective Date

December 5, 2022

Last Reviewed

10-149 – November 22, 2010

04-148 – November 15, 2004

03-109 – June 9, 2003

Purpose

The approval of the Budget, the commitment of funds for all Goods and Services on behalf of the Board, the payment of Accounts of the Board and the related matters identified in this policy, shall be carried out in accordance with the provisions of this policy.

Scope

The provisions of this policy shall apply to all Divisions.

Policy Statement

1. Monetary References

- 1.1. All references in this policy to dollar amounts are Canadian dollars and shall be considered to be exclusive of taxes unless otherwise provided.

2. Interim Operating Budget

2.1. Subsequent to Council's approval of the annual interim operating budget, the Board shall adopt such Budget and the Board will expend funds in accordance with the annual interim operating budget, for the period from the first day of January in each year until the approval of the Budget for such year.

3. Operating Budget

3.1. The Board shall submit to Council, annually on or before the date and in the form specified by Council, the total of all sums required during the year for the operating purposes of the Board.

3.2. The total of all sums identified in subsection 3.1 that is approved by Council shall be adopted by the Board, and shall be the Board's operating Budget.

3.3. Subject to the other provisions of this policy, the Board shall apply the money paid to it in accordance with the operating Budget.

4. Capital Budget

4.1. The Board shall submit to Council, annually on or before the date and in the form specified by Council, the total of all sums required during the year for the capital purposes of the Board.

4.2. The total of all sums identified in subsection 4.1 that is approved by Council shall be adopted by the Board, and shall be the Board's capital Budget.

4.3. Subject to the other provisions of this policy, the Board shall apply the money paid to it in accordance with the capital Budget.

5. Spending Authority - Operating Budget

5.1. Review of expenditure levels:

5.1.1. The operating Budget approved by Council establishes the spending authority for the Board.

5.1.2. Subject to sections 14 and 15, the City Librarian shall:

- 5.1.2.1. Ensure that expenditures do not exceed the approved operating Budget subject to subsection 6.3 Non-Competitive Contract Authority – Emergency of the Purchasing Policy.
 - 5.1.2.2. Review expenditure levels to address revenue shortfalls.
 - 5.1.2.3. Report any anticipated over-expenditure from the operating Budget to the Board and the City’s Chief Financial Officer and Treasurer as soon as such potential over-expenditure is known.
- 5.2. Any expenditure that would result in the Library exceeding the funding available in the operating Budget, except for expenditures made under section 6.3 Non-Competitive Contract Authority – Emergency of the Purchasing Policy, requires Board and Council approval before a commitment is made to incur the expenditure.
- 5.3. Reallocations:
- 5.3.1. The reallocation of approved operating Budget of not more than \$500,000 between Appropriations which do not affect the net operating Budget for the Library shall require the approval of the City Librarian and the Library Treasurer.
 - 5.3.2. Any such reallocation shall be reported to the Board not later than the second regular Board meeting following the transfer.
 - 5.3.3. Reallocation of approved operating Budget between Appropriations in excess of \$500,000 requires both Board and Council approval.

6. Spending Authority – Capital Budget

- 6.1. Review of expenditure levels:
- 6.1.1. The capital Budget approved by Council establishes the spending authority for the Board for a Capital Project.
 - 6.1.2. The City Librarian shall ensure that expenditures from the capital Budget do not exceed that approved capital Budget.
 - 6.1.3. Subject to subsection 6.2 and sections 14 and 15, the City Librarian shall report any anticipated over-expenditure to the Board and the

City's Chief Financial Officer and Treasurer as soon as such potential over-expenditure is known.

6.2. Over-expenditure on a capital project:

6.2.1. The City Librarian is authorized to approve additional expenditures where the costs of a Capital Project increase to the extent that they exceed the original funding approval for the Capital Project by the lesser of 10 per cent or \$500,000, provided that excess funds are available in the approved funding of another Capital Project to fund the over-expenditure.

6.2.2. If the costs of a Capital Project exceed the original funding by more than 10 per cent or \$500,000 or excess funds are not available in the approved funding of another Capital Project or from sections 14 or 15, Board and Council approval must be obtained before any payment can be made to incur the additional costs, except for expenditures made under subsection 6.3 Non-Competitive Contract Authority – Emergency of the Purchasing Policy.

6.2.3. Prior to making an expenditure under subsection 6.3 Non-Competitive Contract Authority – Emergency of the Purchasing Policy, the approval of the City Librarian is required, and such additional costs shall be reported to the Board and Council.

6.3. Unspent funds:

6.3.1. For any Capital Project that is completed, the Library Treasurer shall obtain the approval of the City's Chief Financial Officer and Treasurer to apply unspent funds from the capital Budget for that project first against other Capital Projects of the Library that may be overspent and if there are still excess funds, then to apply the remaining funds to another Capital Project within the Library.

6.3.2. A reallocation under subsection 6.3.1 shall be reported to the Board.

6.4. Allocations between Subprojects within a Capital Project and any subsequent reallocations of these funds among other Subprojects or the addition of Subprojects may be made by the Library Treasurer, provided

that such reallocation does not exceed the amount approved by Council for the Capital Project.

6.5. Reallocations:

6.5.1. Any reallocation of Budget between Capital Projects in an amount of not more than \$250,000 requires approval of the City Librarian. Any such reallocation shall be reported to the Board not later than the second regular Board meeting following the transfer.

6.5.2. Any reallocation of Budget in excess of \$250,000 between Capital Projects requires approval of the City Librarian, the Board and Council.

6.5.3. If Board meetings are cancelled, the Board's normal meeting schedule interrupted because of a labour disruption, or, during the months when no Board meetings are scheduled or held, the City Librarian shall have the authority to request the City's Chief Financial Officer and Treasurer or Council to approve any reallocation of budget between capital projects in an amount not more than \$1,000,000.

6.6. In preparing the annual capital Budget, the Board shall include in the submission to the City a cash flow forecast which indicates the entire capital expenditure for each Capital Project, including those Capital Projects approved in previous years.

6.7. Closure Review:

6.7.1. Any Capital Project approved in a previous year for which a cash flow forecast is not included in a subsequent capital Budget shall be considered to be completed and may be closed by the City's Chief Financial Officer and Treasurer after consultation with the City Librarian.

6.7.2. If additional expenditures are expected to occur as a result of litigation or claims, it may not be appropriate to reflect those expenditures in the capital forecasts. In such cases the City Librarian shall advise the City's Chief Financial Officer and Treasurer of the possibility of additional costs to the Capital Project.

6.8. The City's Chief Financial Officer and Treasurer, after consultation with the City Librarian, may close any Capital Project that is considered to be complete and shall submit a report to Council on an annual basis detailing all capital projects closed during the year.

7. Compliance

7.1. Expenditure compliance: No expenditure shall be made and no account shall be paid by or on behalf of the Board, except with Board approval and in accordance with the provisions of this policy.

7.2. Commitment compliance: No commitment shall be made except in accordance with the provisions of this policy and the provisions of the Purchasing Policy.

7.3. Prior to the City Librarian signing any report and submitting it to the Board, the following information, where applicable, must be included in the report under the heading "Financial Impact":

7.3.1. Current year impacts, which are to include the current approved Budget, the current year incremental cost of the proposed change and the total amended approved Budget as proposed, including gross expenditure, revenues and net amounts in all cases, and any appropriate Budget adjustments that may be required;

7.3.2. future year impacts, which are to include the current year's and the following year's incremental cost for full implementation, the total project cost, the five- year cash flow for capital works and the operating impacts of Capital Projects;

7.3.3. identification of sustainable funding sources and resultant impact on service levels and standards or on Capital Program work plans so as to offset the total new financial impacts;

7.3.4. resultant Budget adjustments to capture cost-savings and revenue sources for current and future years;

7.3.5. impact on reserves or reserve funds or both, including current and future liabilities;

7.3.6. impact on staffing levels; and

7.3.7. consistency with the Library's strategic direction and fiscal priorities.

7.4. The Library Treasurer shall review the report and approve the financial implications identified in the report.

8. Commitments

8.1. Spending Authorities:

8.1.1. The City Librarian may make a Commitment of not more than \$750,000 in any one instance for open competitive awards; or \$500,000 for limited solicitation and non-competitive awards; if the purchasing procedures in the Purchasing Policy have been followed and cash flow funding has been provided in the interim operating Budget, the operating Budget or the capital Budget or pursuant to sections 14 or 15 to the satisfaction of the Library Treasurer.

8.1.2. A Commitment that exceeds the City Librarian's authority in section 8.1.1. requires Board approval as required by the Purchasing Policy before expenditures may be made except for non-competitive procurements made under section 6.3 Non-competitive contract authority – emergency of the Purchasing Policy.

8.1.3. The City Librarian may delegate Commitment authority in any amount within the City Librarian's authority to a Director.

8.1.4. A Director may delegate any amount within the Commitment authority delegated to them by the City Librarian to a person holding a management position directly reporting to them.

8.1.5. Despite subsections 8.1.3 and 8.1.4, the City Librarian may amend the spending authority of any staff member and may place conditions or restrictions on the delegation of authority to any staff member within the Commitment authority applicable to the City Librarian.

8.1.6. In cases where the Board has made the Commitment, the City Librarian or the Library Treasurer are authorized to enter into the Commitment, subject to such terms and conditions imposed by the

Board when making the Commitment.

8.2. Over-expenditures on commitments:

8.2.1. The City Librarian or their delegate may authorize expenditures in excess of the amount of a Commitment, entered into in compliance with this policy and the Purchasing Policy, provided that:

8.2.1.1. Either:

8.2.1.1.1. Such additional amount shall not exceed \$750,000 for Commitments previously approved by the Board except if the original commitment was made under section 5 Limited solicitations or section 6 Non-competitive solicitations of the Purchasing Policy in which case the amount shall not exceed \$500,000 or;

8.2.1.1.2. Total amount of the Commitment including new authorizations do not exceed \$750,000 for Commitments not previously approved by the Board except if the original commitment was made under section 5 Limited solicitations or section 6 Non-competitive solicitations of the Purchasing Policy in which case the amount shall not exceed \$500,000; and

8.2.1.2. funds are available in the interim operating Budget, the operating Budget or capital Budget for that purpose or funds are provided pursuant to Sections 14 or 15; and

8.2.1.3. the Capital Project and its funding have been approved; and

8.2.1.4. sufficient funds remain in the Capital Project or Program; and

8.2.2. Any amendment to a commitment which requires expenditures in excess of the amounts that may be authorized under subsection 8.2.1 requires approval of the Board prior to the making of a payment for the expenditure except for purchases made under 6.4 Non-competitive or limited solicitation contract authority - emergency, or 7.2 Authority to award - City Librarian - extended authority, of the Purchasing Policy.

8.3. Petty Cash

8.3.1. The Library Treasurer may establish petty cash funds for a Division or Department in an amount they considers appropriate having regard to the operational requirements of the Library and the Division or Department.

8.3.2. Managers of Departments are authorized to dispense money from the petty cash fund for their respective Departments upon delivery of receipts and/or such other documentation as may be directed by the Library Treasurer.

8.3.3. The Library Treasurer is authorized to reimburse a petty cash fund upon delivery of original receipts and/or such other documentation as specified in subsection 8.3.2 and as the Library Treasurer may require from time to time.

8.3.4. Petty cash payments for any individual purchase shall not exceed \$200.

9. Authority to Pay Accounts

9.1. Library Treasurer's Authority to Pay Certain Accounts:

9.1.1. Despite any other provision in this policy or any provision of the Purchasing Policy, the Library Treasurer is authorized to pay the accounts and expenditures set out in Schedule A at the end of this policy without the involvement of the Purchasing Manager, the issuance of a purchase order or a non-competitive procurement form, if funds are available in the operating Budget or the capital Budget for that purpose.

10. Additional Funds

10.1. Application for additional funds from the City may only be made for:

10.1.1. One-time non-recurring costs that were not identified at the

time the Budget was approved.

10.1.2. Unforeseen expenditures resulting from economic, climatic, in-year legislative changes from senior levels of government and legal and negotiated settlements.

10.2. Board approval must be obtained to apply to Council for additional funds from the City.

11. Custody of Documents

11.1. Duly executed copies of all agreements, including all insurance and certificates thereof, all contracts, bonds, letters of credit and other security for the due performance of the agreements, and all other documents executed by or on behalf of the Board shall be deposited and maintained as directed by the City Librarian.

12. Authority for Write-offs

12.1. The City Librarian or the Library Treasurer is authorized to write-off an outstanding account of \$25,000 or less owing to the Library as uncollectible provided that reasonable efforts have been made to collect the outstanding amount.

12.2. Write-offs of accounts owing to the Library of more than \$25,000 must be approved by the Board.

13. Administration

13.1. Forms

13.1.1. The Library Treasurer shall approve all necessary forms and other documentation for recording and substantiating the Accounts of the Board.

13.2. Controls

13.2.1. The Library Treasurer shall undertake tests and inquiries as are

appropriate to ensure that the Library maintains satisfactory internal control practices, and that all officials and employees duly carry out the terms of this policy and the Purchasing Policy, and shall carry out such tests and inquiries as are requested by the Board.

13.3. Signing Authorities

13.3.1. Any individual who is authorized to exercise authority under this policy, other than a Designate, may from time to time, in writing, designate a Library employee to exercise the authority in the individual's absence or inability to exercise such authority.

13.3.2. The Purchasing Manager, in consultation with the Library Treasurer and City Librarian, shall formulate and maintain a current schedule specifying any delegation of authority under subsection 8.1 including, but not limited to, Commitment, certification and payment authorities and authority levels for each level of management with the Library.

13.3.3. The schedule shall be approved by the City Librarian and a copy of the schedule shall be forwarded to the Library Treasurer

14. Toronto Public Library Foundation

14.1. The City Librarian may accept revenues from the Toronto Public Library Foundation in respect of a Library service or a Capital Project, provided that:

14.1.1. The revenues are part of the funding priorities approved by the Board; or

14.1.2. if the revenues are not part of the funding priorities approved by the Board, the total of the revenues accepted by the Library from the same source for the same purpose within the fiscal year does not exceed \$250,000; and

14.1.3. the revenues comply with the all of the Library's Policies.

14.2. The City Librarian is authorized to accept revenues from the Toronto Public Library Foundation, which are not part of the funding priorities

approved by the Board, in excess of \$250,000 and up to \$750,000 in respect of a Library service or Capital Project, in the following circumstances:

14.2.1. If regularly scheduled meetings of the Board are not held, for any reason, for a period of two months or longer; and

14.2.2. the revenues comply with the all of the Library's Policies.

14.3. The City Librarian shall report any revenues received pursuant to subsection 14.2 to the Board at the next available opportunity.

14.4. The City Librarian may spend revenues from the Toronto Public Library Foundation in respect of a Library service or a Capital Project up to the Commitment dollar limits established by subsection 8.1.

14.5. The Library Treasurer will annually report to the Board on all revenue items in excess of \$250,000 received under subsection 14.1.2.

15. Other Revenues

15.1. Other revenues include donations, grants, and revenues from revenue generating activities of the type not included in the operating or capital Budget nor contemplated within other sections of this policy.

15.2. The City Librarian may accept and spend other revenues in respect of a Library service or a Capital Project, provide that:

15.2.1. the other revenues are within the Commitment dollar limits established by subsection 8.1;

15.2.2. the total of the other revenues accepted by the Library from the same source for the same purpose within the fiscal year does not exceed the Commitment authority established by subsection 8.1; and

15.2.3. the other revenues comply with the all of the Library's Policies.

15.3. The Library Treasurer will annually report to the Board all individual other revenues in excess of \$250,000 received under this section.

16. Sponsorships

16.1. Sponsorship authorities:

16.1.1. The City Librarian may accept a sponsorship and execute an agreement in respect of a sponsorship as permitted under the Sponsorship Policy.

16.1.2. The City Librarian may accept funds under the Sponsorship Policy and spend sponsorship funds provided that they are within the Commitment dollar limits established by subsection 8.1.

17. Review

17.1. The Library Treasurer shall undertake a comprehensive review of this policy every five years.

Related Library Policies

- Purchasing Policy
- Employee Code of Ethics
- TPL Board Member Code of Conduct

Definition of Terms

In this policy, the following terms shall have the meaning indicated:

ACCOUNT - a financial liability of the Board arising from a Commitment and evidenced by any invoice, pay sheet, receipt or other document indicating payment is due for the Goods or Services specified in the account

ACT - the Public Libraries Act, as it may be amended from time to time

APPROPRIATION - the allocation of funds in the interim operating Budget and the operating Budget

BOARD - the Toronto Public Library Board

BUDGET - the annual operating and capital budgets approved by Council and adopted by the Board in accordance with section 24 of the Act

CAPITAL ACCOUNT - the fund allocated by the Board for a particular Capital Project in the Capital Program and or funds raised from other sources for Capital Projects

CAPITAL PROJECT - an undertaking in respect of which an expenditure is incurred to acquire, improve, demolish, or maintain land, buildings, engineering structures, machinery, or equipment, including installation of computer hardware, software and other technology and is the level at which the Board and Council approve funding and funds control in the capital Budget

CAPITAL PROGRAM - the multi-year plan adopted by the Board and Council respecting intended expenditures for Capital Projects

CITY - the City of Toronto

CITY LIBRARIAN - the person appointed by the Board holding the position of Chief Executive Officer for the Library or a similar successor position, and includes their Designate

CITY SOLICITOR - the person holding the position of City Solicitor for the City, or a similar successor position, and includes their Designate

CITY'S CHIEF FINANCIAL OFFICER AND TREASURER - the person appointed by Council as the Chief Financial Officer and Treasurer of the City or a similar successor position, and includes their Designate

COMMITMENT –

A. A contractual obligation for the purchase of Goods, Services or construction, including the execution of any document evidencing the obligation; or

B. A settlement of a legal action, if the settlement complies with the spending authorities in this policy and has the concurrence, where appropriate, of the City Solicitor, external legal counsel or the Manger of Insurance and Risk Management within the City's Corporate Finance Division

COUNCIL - City Council

DELEGATE - a Library employee to whom authority has been delegated pursuant to subsections 7.1.3 and 7.1.4 of this policy

DEPARTMENT - an administrative unit of a Division of the Library headed by a Manager

DESIGNATE - a Library employee temporarily designated to exercise authority pursuant to section 8 of this policy

DIRECTOR - a person holding a management position in charge of a Division reporting directly to the City Librarian and includes their Designate

DIVISION - an administrative unit of the Library headed by a Director; and for the purpose of making a Commitment under this policy, includes the office of the City Librarian

LIBRARY - the Toronto Public Library

LIBRARY MATERIALS - books, videos, periodicals, subscriptions, serials, electronic information products and any other media, purchased by the Library for use by the public

LIBRARY TREASURER - the person holding the position of Director, Finance and Treasurer of the Library or a similar successor position, and includes their Designate

PURCHASING MANAGER - the person holding the position of Manager, Procurement and Contracts, or a similar successor position, and includes their Designate and immediate supervisor, and whose responsibility it is to supervise and carry out the procurement function, excluding for Library Materials, on behalf of the Library

SERVICES - any matter in respect of which the Board may incur a financial obligation other than Goods, excluding real property

SUBPROJECT - a level within a Capital Project that the City Librarian or the Library Treasurer may choose to use to track expenditures within the Capital Project

Appendices

Schedule A

In accordance with section 9, the following items can be processed without the involvement of the Purchasing Manager, the issuance of a purchase order or a non-competitive procurement form:

1. Utilities

- 1.1. Utility usage fees
- 1.2. Television cable usage fees
- 1.3. Internet usage fees
- 1.4. Telephone service
- 1.5. Toll road usage fees

2. Training and Education

- 2.1. Magazine, periodical, Web subscription fees and books purchased from a proprietary vendor including on-line purchases, excluding 3rd party providers
- 2.2. Training through a proprietary vendor including training materials (except where training is arranged or can be arranged through a competitive bid process)

3. Refundable employee expenses under the Business Expense Policy

4. Conference, Seminars & Business Travel (in accordance with Business Expense Policy) Training and Education

- 4.1. Registration fees
- 4.2. Accommodation Fees
- 4.3. Ground Transportation Fees
- 4.4. Business Kilometrage

- 4.5. Per Diem
- 4.6. Travel Advances

5. **General Expenses**

- 5.1. Postage (Canada Post)
- 5.2. Licenses and recertification
- 5.3. Professional Designation Fees
- 5.4. Payments to non-profit community based organizations and resident associations working with the Library on Library projects
- 5.5. Grants and Donations
- 5.6. All costs associated with Council approved land purchases, leases, survey records and expropriations
- 5.7. Refunds
- 5.8. Legal Settlements
- 5.9. Experts and witnesses for civil actions or administrative hearings
- 5.10. Arbitrators and mediators
- 5.11. Advertising to a specific audience. All advertising services in all mediums including but not limited to print, radio, TV, etc. in order to reach a specific target audience e.g., seniors, adolescents, ethnic groups, industry or business groups, specific neighbourhoods or geographical areas, statutory or special public notices, etc.
- 5.12. Advertising job postings targeting a specific profession through a professional association
- 5.13. Meeting arrangements for public consultation meetings, Library hosted conferences, co-hosted events, ceremonies and special events at Library owned or non-Library owned locations including, but not limited to, charges for equipment, catering and booth rentals, when dictated by venues as to specific vendors to use.
- 5.14. Labour negotiation arrangements per the Collective Agreement including hotel accommodations, meeting room rentals, catering and technical services.
- 5.15. Specialized performers, artists or entertainers for Library hosted or supported programs or events including audio-visual equipment, specialized displays and technical services and curators integral to such performers, artists or entertainers
- 5.16. Honorarium amount not to exceed \$500.00

- 5.17. Entertainment Admission Fees
- 5.18. Copyright/Certification Fees

6. Federal, Provincial and Municipal Mandated Programs (including but not limited to the following):

- 6.1. Purchase of supplies and services from a supplier mandated by the municipal, provincial, or federal government.

7. Toronto Transit Commission (TTC)

- 7.1. Tokens and tickets
- 7.2. Presto cards
- 7.3. Monthly pass
- 7.4. Use of TTC Vehicles (e.g. buses, subways, streetcars)

8. Petty Cash Replenishment

9. Payments to Past and Current Employees

- 9.1. All salaries, wages and benefits and grievance payments due to any person in the employ of the Library.
- 9.2. All retiring allowances and mandatory sick pay grants due to any person previously in the employ of the Library.
- 9.3. Payments to past employees who attend arbitration hearings on behalf of the Library.

10. Government Payments

- 10.1. Payments to federal, provincial or municipal governments for taxes, liens, or goods and services that can only be purchased from such entities e.g., vehicle licenses, Statistics Canada, Property Taxes, Land Registry Fees, etc.

11. City, Agencies and Corporations

- 11.1. Payments to City Divisions, Agencies and Corporations and/or their contractors, as determined by the City Division, Agency or Corporation, for work performed as part of a capital project subject to the following criteria:
 - 11.1.1. The work to be performed relates to an approved Capital

Project;

- 11.1.2. The City Division, Agency or Corporation uses an open, competitive bidding process consistent with the Library's procurement policies and processes;
- 11.2. The City Division, Agency or Corporation complies with and requires that all vendors comply with:
 - 11.2.1. the City's Fair Wage Policy; and
 - 11.2.2. The Library's Human Rights and Anti-Harassment/Discrimination policy.
- 11.3. An agreement is entered into with the City Division, Agency or Corporation on terms and conditions satisfactory to the City Librarian and, if appropriate, the City Solicitor

12. Payroll and Pension Deductions and Contributions

- 12.1. All accounts relating to statutory deductions, as well as employee pension deductions and employer pension contributions in respect of salaries and wages to those persons who are paid by or employed by the Library, including those which are payable in respect of any duly authorized registered pension plan on behalf of the respective employee.

13. Capital Projects

- 13.1. Charges to or from federal, provincial or municipal government, Agencies and Corporations and railways and utility companies for goods and service incidental to an approved capital project provided that the goods and services of the main project shall be subject to this policy. If directed by the aforementioned entity, payment may be issued directly to their vendor.

14. Taxi and Transportation Services

- 14.1. Metered taxi services
- 14.2. Other fare-based transportation services

15. Paid Duty

- 15.1. Payment to police officers for off duty services performed on behalf of the Library

16. Library Board Functions

- 16.1. Payments to Council appointed citizen members of the Library Board.
- 16.2. Payment of costs to hold off-site meetings of the Board or Committee of the Board, including but not limited to meeting locations, alternate off-site facilities, security, audio/visual equipment and operators, modifications to facility accessibility, etc.

17. Non Union Secondments from an External Organization

18. Rents, Leases, Maintenance

- 18.1. Payments to landlords for rents/leases and facility maintenance outside of regular lease payments for maintenance repairs that are the responsibility of the Library as the renter, and the contractors are determined by the landlords for repairs.

Contact

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