

## **MEDIA CENTER RESERVE FUND POLICY**

### **PURPOSE**

The purpose of the Reserve policy for the Media Center Fund is to ensure that all members of the school community have equitable access to books and reading, to information, and to information technology.

The Reserves policy will be implemented in concert with the other governance and financial policies of Bach PTO and is intended to support the goals and strategies contained in these related policies and in strategic and operational plans.

### **DEFINITIONS AND GOALS**

The Program Reserve is intended to provide an internal source of funds for uncertain income for supplies, equipment, programs and activities that support the Media Center's purpose. The Program Reserve fund is defined as the designated fund set aside by action of the Bach PTO Board. The target amount to be designated as Program Reserve will be established in an amount sufficient to maintain the minimum amount in the account to avoid bank service fees, with a maximum of 150% of the budget for that year.

The amount of the Program Reserve Fund target will be calculated each year and presented in the October Bach PTO general meeting for approval.

### **ACCOUNTING FOR RESERVES**

The Program Reserve Funds will be recorded in the financial records as the Board Designated Media Center Reserve Fund, noted in the by-laws as the Library account. The fund will be funded and available in cash or cash equivalent funds. Reserves will be maintained in a segregated bank account or investment fund, in accordance with investment policies.

### **FUNDING OF RESERVES**

The Program Reserve fund will be funded by setting aside funds received from fundraising appeals (e.g. book fair sales) to the Bach Community. This appeal will be made if the Program Reserve Fund is less than the target amount established in the "DEFINITIONS AND GOALS" section. This appeal would not be made if the Program Reserve Fund is more than the target amount established in the "DEFINITIONS AND GOALS" section.

## **USE OF RESERVES**

Use of Program Reserve Funds requires three steps:

### **1 Identification of appropriate use of reserve funds.**

The Bach PTO Treasurer will identify the need for access reserve funds and confirm that the use is consistent with the purpose of the reserves as described in this Policy.

### **1 Authority to use reserves.**

Authority for use of Reserves is delegated to the Bach PTO Treasurer(s) in consultation with the Media Center Specialist. The use of Reserves will be reported to the Bach PTO Board at their next scheduled meeting, accompanied by a description of the use of funds and plans for replenishment to restore the Reserve Fund to the target amount within the next 12 months.

### **1 Reporting and Monitoring**

The Bach PTO Treasurer(s) is responsible for assuring that the Reserve Funds are maintained and used only as described in this Policy. Upon approval for the use of Reserve funds, the Bach PTO Treasurer(s) will maintain records of the use of funds. In accordance with the Bach PTO by-laws, The Bach PTO Treasurer(s) will provide a report every October for approval at the general PTO meeting, and quarterly reports to the Bach PTO Board.

## **REVIEW OF POLICY**

This policy will be reviewed every other year, at minimum, by the Bach PTO Board, or sooner if warranted by internal or external events or changes. Changes to the Policy will be recommended by the Bach PTO Treasurer(s) to the Bach PTO Board.