

Fund Accounting

Depending on its circumstances, the Waterloo Library and Historical Society may have more than one fund. The general operating fund is the account from which the society's day-to-day income and expenses are received and disbursed and it is the account through which almost all income and receipts pass. This is the primary fund for the society's annual budget.

A capital fund is a separate account established for special one-time, unusual, and high cost activities such as construction, renovation, or major equipment purchases. Other separate accounts include Memorial Funds, Bullet Aid and Friends of the Library. A full listing of accounts and associated banks are listed in Appendix A.

Waterloo Library and Historical Society board may establish other special purpose funds for accounting and planning purposes. The Waterloo Library and Historical Society may also have a prudent reserve fund to serve this purpose. End-of-year surplus from the operating fund can be transferred into this fund for future use. 'End-of-year surplus' is defined as gifts or donations given to the society which are not memorials. Uses of this fund include special purposes not covered by the operating funds such as one-time purchases not covered under the operating budget, speaker fees, materials for program launches, matching money for proposed grants, or seed money for new projects.

For information regarding Waterloo Library and Historical Society Trustees' responsibilities with respect to handling funds, please refer to the Budget and Finance section of the Handbook for Library Trustees of New York State, available online.