

Lyons Regional Library District Capital Project Financial Policy

Purpose:

This policy will establish fiscal responsibilities for Lyons Regional Library District (LRLD) Board members for the distribution of capital funds.

Process:

During the capital budgeting process the LRLD Board as a whole will vote and approve the overall budget/expected expenditures and scope of projects. This will fully encompass all anticipated projects and will include input and recommendations from the owner's representatives and construction managers if applicable. In addition, the LRLD Board will ensure there are adequate appropriated funds for this approved overall budget and that the capital budget includes a contingency line-item for necessary change-orders.

Once the overall budget is approved, any change orders will have the recommendation of the owner's representative as well as the construction manager, if applicable, and will be presented to the Building Committee Chairperson. If the Chair is unavailable the change order can be presented to the Board President or Vice President. The change will then be discussed with a second member of the Board of Trustees; this discussion will include consideration of the project schedule and contingency funds remaining as well as careful consideration that it will not materially adversely affect the value of the library or how it's used. Following this consultation, any change order up to \$5000 can be approved by the LRLD Board President, Treasurer or Building Committee Chairperson. Any change orders greater than \$5000 or that do not fall within the approved contingency line item for the project budget must be voted on and approved by a quorum of LRLD Board.

Adopted: September 19, 2017

Revised: October 17, 2017; June 19, 2018; December 1, 2020