

CLEVELAND PUBLIC LIBRARY

Board Meeting
January 17, 2017

**RESOLUTION TO ADVANCE CASH FROM
THE GENERAL FUND TO THE FRIENDS FUND**

WHEREAS, *Ohio Revised Code* Section 5705.14 provides for the transfer and advance of funds from the General Fund to other funds; and

WHEREAS, Libraries generally do not follow ORC Section 5705 for budgetary compliance, so the Library looks to the Auditor of State Bulletin 1997-003 to provide guidance pertaining to the accounting treatment for inter-fund cash advances; and

WHEREAS, The Board of Trustees of the Friends of the Cleveland Public Library approved the 2017 budget for Programs for the Cleveland Public Library in the amount of \$31,500; and

WHEREAS, The Friends fund will start the year with a \$5,000.00 fund balance, while awaiting payment(s) for the balance from the Friends of the Cleveland Public Library. Therefore, a cash advance from the Library's General Fund to the Friends Fund is a desirable method of resolving cash flow problems without the necessity of incurring additional interest expense for short-term loans and to provide the necessary "seed" for grants that are allocated on a reimbursement basis; now therefore be it

RESOLVED, That General Fund advance cash in the amount of \$26,500 to the Friends Fund for the same purpose for which the fund was established, for which repayment in an equal amount is made within the current year.