

CLEVELAND PUBLIC LIBRARY

Finance Committee

February 18, 2014

**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 2014 budget for Programs for the Cleveland Public Library in the amount of \$24,500; and

WHEREAS, The Friends of the Cleveland Public Library will disburse the \$24,500 to the Library on a reimbursement basis. 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 \$24,500 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.