

**CLEVELAND PUBLIC LIBRARY**

**Finance Committee**

January 19, 2016

**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 2016 budget for Programs for the Cleveland Public Library in the amount of \$29,500; and

WHEREAS, The Friends fund will start the year with a zero fund balance, while awaiting payment(s) 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 \$29,500 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.