

YUKON PUBLIC LIBRARIES

SUBJECT	POLICY NUMBER	EFFECTIVE DATE
Community Library Board Operations	5	November 1998
		REVISED: September 2006, 2008, 2009
		REVIEWED September 2012

This policy provides guidance to Community Library Boards on general operations, including the administration of the Transfer Payment Agreement (formally known as the Contribution Agreement). It is based on the Public Libraries Act and Regulations, the Financial Administration Act and the Employment Standards Act.

CONTRIBUTION AGREEMENT

Government of Yukon provides funding to Community Library Boards to pay a community librarian to operate the community library. This funding is provided through a Transfer Payment Agreement which is a legal document signed by the Board Chair and the Director, Public Libraries Branch prior to April 1 each year. The funds are disbursed in two installments, the first for April 1 and the second for October 1. This funding can only be used for approved salary-related purposes.

The Transfer Payment Agreement also includes reimbursement for approved postage costs incurred by community libraries to mail books and other library materials to and from Whitehorse Public Library and other Yukon community libraries.

The Board is the employer of the community librarian and other staff. The Board operates under the Public Libraries Act and annexed regulations, subject to the approval of the Director. The Employment Standards Act governs employer-employee relations in Community Libraries.

- For more information about the Employment Standards Act, contact, Labour Services toll free at 1-800-661-0408 local 5944 or <http://www.community.gov.yk.ca/labour/index.html>

FINANCIAL STATEMENTS

Boards are required to submit financial statements to Public Libraries Branch on the following schedule:

- Financial period April 1 - September 30 (1st half-year) due the following December 1
- Financial period October 1 - March 31 (2nd half-year) due the following June 1
- Financial period April 1 – March 31 (full year) due the following June 1

Financial statements should be submitted in the requested format. Financial statements may be prepared by the Board treasurer or by another agency or individual on behalf of the Board, but the Board remains responsible for the financial matters of the Board. Assistance may be provided by the Branch upon request.

An identified amount of funding that is not required for salary purposes in any fiscal year may be retained by the Board as a reserve for special salary needs (e.g. overlap between employees, top-up for summer students, paid sick leave), with the approval of the Director; any surplus in excess of this amount per fiscal year may be subtracted from the next funding disbursement.

BANK ACCOUNT

Each Board must establish a chequing account with a local bank for deposit of Transfer Payment funds, and payment of payroll, Canada Revenue Agency and YWCHSB remittances. If the Board has additional funds to manage [e.g. HRDC funding for summer students, local fund raising, donations] the Board can establish a separate account for this purpose; if only one bank account is used then the Transfer Payment disbursements and funds from other sources must be tracked separately.

COMMUNICATIONS

Each Board shall register for local postal delivery. If available the Board must have a post office box; general delivery is used only if there are no available boxes. This address shall be reported to Public Libraries Branch and used for all official communications for both the library and the library board. Each Board should designate at least one individual, preferably the Board chair, as the e-mail contact for the Board. If e-mail and Faxes are used for communications, the Board should ensure that these are secure and reliable.

SOCIETIES ACT REGISTRATION

Community Library Boards can choose to register under the Societies Act. This provides limited legal protection to Board members and enables the Board to apply for funding from other organizations as a non-profit society. The Society Incorporators Handbook provides the necessary information.

- For more information, contact Corporate Affairs 1-800-661-0408 local 5314 or <http://www.community.gov.yk.ca/corp/index.html>

HOURS FUNDED

Boards are funded by Public Libraries Branch at a set number of hours per week, depending on the size of the community and library use. These hours are intended to provide library access to the public.

HOURLY RATE

Funding is provided through the Transfer Payment Agreement at set hourly rates for the number of hours established above. This enables Boards to pay their community librarian to provide public library service for this number of hours per week for the full year.

There is no funding provided for overtime or any additional hours. If the community librarian works throughout the year at the full number of hours each week, there are no excess funds available for extra hours. Boards are encouraged to plan programmes and other activities within library opening hours wherever possible. The total number of hours worked in each pay period cannot exceed that funded through the Transfer Payment Agreement without additional Board resources.

Within the funding provided, Boards set wage rates and wage scales for all employees. Often newly hired staff, substitutes, temporary staff and students are paid at lower rates than fully-trained community librarians. Funds "saved" in this way can be used for other salary purposes e.g. additional hours for attendance at board meetings, library programmes, the library workshop and to meet with visiting Public Libraries Branch staff, as long as total hours average to the funded amount over the course of the year.

Boards are responsible for approving hours worked, and for paying their employees for their work.

COMPULSORY AND OTHER EMPLOYEE BENEFITS

With the salary funding outlined above, Public Libraries Branch provides Boards with an additional 12% of the gross amount to cover compulsory benefits. This pays for the employer's contributions through Canada Revenue Agency to CPP and UIC, vacation pay and workers' compensation coverage. These compulsory benefits will not require the entire 12%. Remaining funds shall be used for other salary-related benefits that are sustainable on an ongoing basis and must be recorded in the official records of the Board. Benefits could include paid sick leave, additional vacation leave for long service or merit, and possibly other types of leave.

- **Vacation pay** - Through the Employment Standards Act, all employees must be paid 4% of annual income as vacation pay. Community librarians, substitutes and other staff are paid vacation pay either with each pay cheque, at a set time each year or when the vacation is taken.
- **Vacation Entitlement** - Under the Employment Standards Act, employees are entitled to two weeks vacation (prorated for part-time employees) annually. The vacation pay described above replaces the employee's regular salary during the vacation.
- **Revenue Canada Remittance** - Boards must register as employers with Canada Revenue Agency and receive a registration number. Each month, a remittance must be made to Canada Revenue Agency for employee/employer CPP, EI and income tax deductions. This payment is due by the 15th of the following month; overdue penalties are applied Canada Revenue Agency if remittances are late. Payments are made automatically for boards using Ceridian Canada payroll services.

To calculate:

1. CPP- total amount paid to all employees during previous month x 2 (employee + employer share)
 2. EI - total amount paid to all employees during previous month x 1.4 (employee + employer share)
 3. Income tax - total amount paid to all employees during previous month
- For more information, contact the Canada Revenue Agency toll-free 1-800-959-5525 or <http://www.cra-arc.gc.ca/cntct/prv/tstc/prnc-g-eng.html>
- **Yukon Workers Compensation Health and Safety Board (YWCHSB)** Enrollment is mandatory for community library boards in order to have coverage for all Board employees in the case of accident or injury. Starting in 2010/2011, annual remittances are paid directly to YWCHSB by Public Libraries Branch and the amount deducted from Transfer Payment Agreements.
 - Contact **YWCHSB** in Whitehorse toll-free 1-800-661-0443 or <http://wcb.yk.ca/Default.aspx> for more information or to ensure your library's account is active.

PAYROLL CALCULATIONS – CERIDIAN ENROLLED LIBRARIES

Automated payroll assistance through Ceridian Canada has been offered to Boards since fall 2004. For libraries registered with Ceridian, payroll is produced through their automated system after input by Public Libraries Branch on the established bi-weekly schedule. Payroll is calculated using information provided by the Board regarding employees, wage rates and benefits

following the Employment Standards Act. Time sheets for each employee who has worked in that pay period that are approved by the Board and submitted on time are processed to meet the production schedule. Payments to Canada Revenue Agency are submitted by Ceridian Canada on behalf of the employer. Year end reports, T4s, ROEs and other documents are produced as required.

PAYROLL CALCULATIONS – NON CERIDIAN LIBRARIES

All employees (community librarian and any assistants or substitutes) should submit time sheets to the Board Treasurer (or designated alternate) for established bi-weekly pay periods. The treasurer verifies hours worked by all employees, and calculates and produces the payroll. Pay periods should begin and end on the same day of the week, on a set bi-weekly schedule. Any hours in excess of the set hours/week should be authorized in advance by the board and only if funds permit.

In order to calculate the payroll:

1. For each employee working in the previous pay period - calculate number of hours worked x hourly rate = gross pay
2. Use Revenue Canada tax tables to determine compulsory deductions
 - a. CPP - calculate using biweekly tables and gross pay
 - b. EIC - calculate using tables and gross pay
 - c. Income tax - calculate using biweekly tables and gross pay
3. Deduct all three items above from gross pay = net pay
4. Deduct any payroll advances or other debits from amount payable
5. Make cheque out for net pay

➤ Contact Public Libraries Branch for additional assistance.

Approved:

Director, Public Libraries Branch

Date