

APLS Grant Record-Keeping Guidelines

All LSTA grant recipients must exercise due diligence when keeping financial records of project revenue and expenditures. To assist grant recipients in keeping accurate records, APLS has developed the following record-keeping guidelines.

BASIC PRINCIPLE: Create a project folder for each grant and file all documents (originals or copies) related to a specific project in the project folder. A binder may be used in lieu of a folder. The important thing is to keep all the documents together.

List of documents to be filed:

The following are the kinds of documents to be kept in a project folder (either as originals or as copies):

1. Grant contract and approved application
2. Official notification document
3. Correspondence with APLS
4. Purchase orders
5. Packing slips
6. Invoices
7. Copies of remittance forms sent to vendors with checks
8. Copies of payment request forms submitted to APLS
9. Copies of APLS checks
10. Blue remittance copies sent with APLS checks
11. White copies of voucher records sent with APLS checks
12. Bank deposit receipts or receipts from a city government showing that APLS checks were submitted to the government
13. Copies of bank statements showing deposits of APLS checks
14. Any other documents pertinent to the project (such as extension requests, requests for reallocation of funds, and approvals)

How to handle purchase orders:

1. Public libraries are not required to pay sales tax, and federal and required local matching funds may not be used to pay sales taxes. Make it clear to vendors not to add any taxes to invoices.
2. Include on each purchase order only items that are part of the grant project. Do not intermingle other items.

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How to handle invoices:

1. Check each invoice against the library's purchase order and any packing slips, and, if OK, enter on the front page of the invoice the following:
 - a. the words "Approved for Payment"
 - b. the current date
 - c. the LSTA project number
 - d. the account number used by the library (assign a unique account number for each grant)
 - e. the amount approved
 - f. the initials of the project administrator and one other person, such as the library's bookkeeper
2. Staple to the back of the invoice, copies of the purchase order and packing slips.
3. Staple to the front of the invoice a copy of the remittance form for the check used to pay the invoice. If the library does not use remittance forms, on the invoice write the date, number, and amount of the check.
4. If one check is to be used to pay multiple invoices from a vendor, do the following:
 - a. Organize each invoice, its purchase order copy and packing slips as in step 2.
 - b. Staple the invoice sets together.
 - c. Staple to the front a copy of the remittance form for the check used to pay the invoices. If the library does not use remittance forms, staple a note with the date, number, and amount of the check used.
5. File the invoices in the folder by date paid.
6. If the library maintains a file of invoices organized alphabetically by vendor or if the city keeps the original invoices, have a copy made of each invoice (and purchase order and packing slips) for the project folder.

Other best practices:

1. When making a deposit use a separate deposit form and get a separate deposit receipt just for the APLS check. This will create a clear audit trail for the check so that it won't get intermingled with other checks.
2. Establish a non-interest-bearing checking account just for project funds (for both required local matching funds and LSTA funds). Interest may not be made on federal funds. By having all project funds pass through this account, there would be a clear

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record of deposits received and checks written just for the project. Ask your bank to make this a permanent account even when no funds are in it since you could use it each time you receive a grant. Many banks will provide this account as a free service for libraries.

3. Have a rubber stamp made to use on the front of the invoices you receive to be paid with both LSTA and matching local funds. It could have the following format (in red):

APPROVED FOR PAYMENT	
DATE:	_____
ACCOUNT #:	_____
LSTA PROJECT #:	_____
BY:	_____
\$	_____
AMOUNT APPROVED	

The account number is the specific number you have assigned to the grant for your own record-keeping.

The project number is the LSTA number stated in your contract with APLS.

The “BY” line is for the initials of 2 persons authorized to approve invoices.