



ACCOUNTING AND FINANCE OPERATIONS DOCUMENT

Finance Department & Business Office Policies and Procedures Manual

Town and School District of Brookfield

January 2016

Version 2.0

100 Pocono Road
Brookfield, CT
(203) 775-7300

Table of Contents

1. INTRODUCTION	6
A.1. Distribution List for Finance Department Policies and Procedures	6
A.2. Financial Management System (FMS).....	6
2. ACCOUNTING RECORDS	7
B.1. Security of Records	7
B.2. Journal Entries.....	7
B.3. Bank Transfers.....	7
3. FINANCIAL MANAGEMENT SYSTEM (FMS) ADMINISTRATION	8
C.1. System Security	8
C.2. Establishing a New User in the FMS.....	9
C.3. Modifying a User's Application and System Privileges	9
C.4. Notifying the Appropriate Stakeholders of Terminated Employees	10
C.5. Systems Support	10
C.6. User IDs and Passwords	11
C.7. Role Backup.....	12
4. CHART OF ACCOUNTS	13
D.1. Account Code Structure	13
D.1.a. Uniform Chart of Accounts	13
D.1.b. Oversight Policy.....	13
D.1.c. Elements of the Account Code Structure.....	13
5. BUDGETING	15
E.1. Budget Preparation and Presentation	15
E.2. Budget Adoption	16
E.3. Budget Monitoring, Appropriations, Transfers and Borrowing	16
E.3.a. Town of Brookfield.....	16
E.3.b. Mansfield Board of Education.....	17
E.3.c. Special Appropriations and Transfers of Appropriations.....	17
E.3.e. Emergency Appropriations	18
E.3.f. Borrowing.....	19
E.4. Budget Training	20

6. CASH AND BANK RECONCILIATION	21
F.1. Petty Cash	21
F.1.a. Obtaining Reimbursement.....	21
F.1.b. Petty Cash Replenishment	22
F.2. Termination of Petty Cash Accounts.....	22
F.3. Bank Reconciliation Process.....	22
F.3.a. Access to Online Bank Statements.....	22
F.4. Departmental Reconciliations.....	23
F.4.a. Cash Registers	23
F.4.b. Non-Profit Accounts.....	23
F.4.c. Food Services	23
7. RECEIPTS AND REVENUES	24
G.1. Departmental Miscellaneous Revenues	24
G.2. Tax Collector Revenues.....	24
G.3. Fundraising Revenue Procedures	24
G.4. Food Services Revenues.....	25
8. PURCHASING	26
H.1. Principles of Purchasing	26
H.1.a. Purchasing Program Overview.....	26
H.2. Purchasing Policies.....	26
H.2.a. Formal Purchasing Procedures	26
H.2.b.FMS Three-Way Match.....	26
H.2.c. Purchases Under \$5,000	27
H.2.d. Purchases between \$5,000 - \$20,000	28
H.2.e. Purchases in Excess of \$20,000.....	29
H.2.e.1. Bid Procedures	29
H.3.a.State Contract Exception	30
H.4. Blanket Purchase Orders.....	30
H.4.a. Proper Procedures and Training	31
H.5. Purchasing Cards (P-Cards)	31
H.6.a. P-Card Recordkeeping.....	31
H.6. Purchasing in Emergency Situations or under Extraordinary Conditions	32
9. ACCOUNTS PAYABLE AND EXPENDITURES	33
I.1. Accounts Payable and Disbursement	33
I.1.a. Receipt of Goods and Services.....	33

I.1.b.	Vendor Invoices.....	33
I.1.c.	Recording Invoices	33
I.1.d.	Check Processing.....	33
I.2.	Expenditure Reviews.....	34
I.3.	Adding a Vendor to File.....	34
I.3.a.	Vendor File Review	34
10.	PAYROLL	35
J.1.	Payroll and Personnel/Human Resources.....	35
J.1.a.	New Hires	35
J.1.b.	Employee Changes	35
J.1.c.	Employee Terminations	35
J.1.d.	Employee Personnel Files	35
J.2.	Time Records and Payroll Preparation.....	36
J.2.a.	Timekeeping.....	36
J.2.b.	Payroll Adjustments	36
J.3.	Severance, Vacation and Sick Time.....	37
J.4.	Accrued Benefits/Retirement Policies	37
J.5.	Stipends.....	37
J.5.a.	Stipend Positions.....	37
J.5.b.	Stipend Tracking.....	37
J.5.c.	Awarding Stipends	38
J.6.	Contract Administration	38
J.7.	Interim Payroll Processing (BOE Only)	38
J.7.a.	Accounting for Annual vs. Actual	38
J.7.b.	Deductions	39
11.	BENEFITS ADMINISTRATION	40
K.1.	Adding Beneficiaries	40
K.2.	Benefit Adjustments	40
K.3.	Removing Beneficiaries/Terminated Employees	40
K.4.	Worker's Compensation and FMLA	41
K.5.	Internal Benefits Audit	41
11.	FINANCIAL REPORTING	42
L.1.	Closing Procedures.....	42
L.1.a.	Monthly Close	42
L.1.c.	Year-End Close	42

L.1.d. Accounting Period Close	42
12. GRANT MANAGEMENT	44
M.1. Requests.....	44
M.2. Monitoring and Administration	44
M.3. Special Education	44
13. CAPITAL ASSETS	46
N.1. Capital Asset Policies.....	46
N.1.a. Accounting Methodology.....	46
N.1.b. Asset Classifications	47
N.1.c. Addition of Capital Assets	47
N.1.d. Disposal of Capital Assets	47
N.1.e. Transfer of Capital Assets	47
N.2. Capital Projects	48
14. STUDENT ACTIVITY FUND ACCOUNT	49
O.1. The Purpose of the Student Activity fund.....	49
O.2. Student Activity Fund and District Operating Budget differentiation	49
O.3. Appropriate sources of Student Activity funds.....	49
O.4. In-Appropriate Revenue Sources of Student Activity funds	50
O.5. Receipts.....	50
O.6. Disbursements	51
O.7. Reporting and Reconciliation	52
O.8. Referee Management	52
O.9. Budget Training and Review	52
15. EXPENSE REIMBURSEMENTS	54
P.1. General Reimbursements	54
P.2.a. Restricted Reimbursements.....	54
P.2. Travel Reimbursements	54
P.3. Mileage Reimbursements	55
P.4. Gas Usage Review	55

1. INTRODUCTION

The procedures outlined on the following pages reflect the current tasks and transactions necessary to process and complete financially related transactions performed by the Town and School District of Brookfield.

Within each procedure, all key elements are identified, including:

- Required forms and documents
- Necessary approvals and authorizations
- Appropriate staff and department contacts

In the event any questions or exceptions arise, it is the responsibility of that staff person to confirm the appropriate course of action with their Supervisor, the Controller, and/or the Director of Business & Operations.

It is the responsibility of the Town of Brookfield Finance Department and School District Business Office to maintain the accuracy and consistency of these procedures. Any changes should be immediately reported to the Controller and Director of Business & Operations with a detailed description and reason for the change.

A.1. Distribution List for Finance Department Policies and Procedures

- First Selectman's Office
- Board of Finance
- Board of Selectman
- Superintendent's Office
- Board of Education

A.2. Financial Management System (FMS)

The Town and School District of Brookfield utilize MUNIS by Tyler Technologies. This software is an integrated software solution exclusive to local governments and School Districts. Aside from MUNIS, the Tax Collector's Office and Tax Assessor's office use Quality Data Service (QDS). All financial data is manually imported from these systems to the main FMS – no electronic interfacing exists.

2. ACCOUNTING RECORDS

B.1. Security of Records

Users are assigned access rights to specific MUNIS modules according to their job function and responsibility, and are prevented from entering and approving their own entries in the system. Each accounting record is associated with the appropriate users that created, approved, and posted the transaction with the system.

B.2. Journal Entries

On the Town side, the Controller, Accounting Supervisor and AP Clerk are the only individuals with the responsibility and capability to enter and post journal entries to the General Ledger. The Accounting Supervisor's and AP Clerk's journal entries must be reviewed and approved by the Controller.

On the School District side, the Director of Business & Operations, Accounting Supervisor and AP Clerk are the only individuals with the responsibility and capability to enter and post journal entries to the General Ledger. The Accounting Supervisor's and AP Clerk's journal entries must be reviewed and approved by the Director of Business & Operations. All approvals must be confirmed via email and archived in Journal Entry labeled folders.

The automated Do-To, Do-From function in MUNIS should be utilized to limit the need for adjusting journal entries and to assist with the bank reconciliation process for both the Town and School District.

B.3. Bank Transfers

The Controller has the ability to initiate bank transfers and is responsible for managing all Town transfers. The Director of Business & Operations has the authority to authorize bank transfers in order to properly allocate funds pertinent to School District operations. The Controller must comply with the requests made by the Director of Business & Operations and to complete these requests in a timely manner such not to hinder School District operations.

3. FINANCIAL MANAGEMENT SYSTEM (FMS) ADMINISTRATION

Brookfield uses the MUNIS Financial Management Software (hereinafter referred to as FMS) by Tyler Technologies. The Town and School District has implemented MUNIS as a Software as a Service (SaaS) in a single database environment. As such, the application is hosted by Tyler Technologies in their data center in Maine. A disaster recovery site currently exists in Florida where servers and financial information is replicated.

The following MUNIS modules were purchased and implemented:

- General Ledger
- Accounts Payable
- Payroll
- Project and Grant Accounting
- Employee Self Service
- Misc. Receivables
- Purchase Requisition/Order
- Budgeting
- Human Resources
- Fixed Assets
- eProcurement

C.1. System Security

Computer information systems and networks are key business tools for the Town and School District of Brookfield. Brookfield has made a substantial investment in human and financial resources to create these systems to support and enhance department and overall operations.

The following policies have been established in order to:

- Protect this investment.
- Safeguard the information contained within these systems.
- Reduce business and legal risk.
- Protect the Town and School District.

Any violations by Town or School District employees may result in disciplinary action in accordance with Brookfield policy. Failure to observe these guidelines may result in disciplinary action by Brookfield officials depending upon the type and severity of the violation, whether it causes any liability or loss to the Town or School District, and/or the presence of any repeated violation(s).

The Controller, Director of Business & Operations and IT Department (or their designee) should be the only active users with administrative rights within MUNIS. Since access to MUNIS is role-based, the Town and School District have established “security” roles for their respective organizations. As such, Town nor School District personnel can add, modify, and/or delete financial transactions initiated by the other organization. However, the Town and School District will provide the other organization’s financial departmental personnel, read-only access to their financial information. This includes the ability to generate selected financial reports.

C.2. Establishing a New User in the FMS

1. HR Representation Notifies The Appropriate Accounting Supervisor

Human Resources must notify the appropriate Accounting Supervisor (Town or School District) by electronic mail, at least three days prior to the start date of any new employee needing access to the FMS. The email must include the new employee's full name, assigned department, position title, phone number, name of direct supervisor and specific access needed in the FMS. The Accounting Supervisor is responsible for validating whether the requested level of access to the FMS is appropriate. Depending on whether it is a Town or School District employee, the Controller or Director of Business & Operations must be copied on the email. If a different level of access is required, the Accounting Supervisor must gain approval from the Controller or Director of Business & Operations and then notify HR of the change.

2. IT Department Sets Up User Account

The Accounting Supervisor validates the level of access needed in the FMS and then notifies IT to create a user account for the new employee based on the approved level of access. IT is responsible for notifying the appropriate Department Head, the respective HR personnel and the Accounting Supervisor, via email, when the user account has been fully set up.

3. Archive New User Requests

The Accounting Supervisors and IT are responsible for archiving all email requests for new user accounts. Emails are stored in folders labeled according to the name and email of the new user. The separate folders for individual users are all stored in a "New User" folder within each organization's network. On an annual basis, the Accounting Supervisors and IT will reconcile their "New User" folders to ensure they have the same new users added to the FMS.

C.3. Modifying a User's Application and System Privileges

1. Department Heads Notify Accounting Supervisor

Department Heads must notify the Accounting Supervisor by electronic mail with any change to a user's access rights to the FMS. The email must include the employee's name, email, and an indicated reason for the change. The Controller or Director of Business & Operations must be copied on the email.

2. IT Modifies the Account

If approved, the Accounting Supervisor notifies IT to modify the user account appropriately.

3. Archive Modification Requests

The Accounting Supervisor and IT are responsible for archiving all user access change email notifications. Emails are stored in folders, labeled according to the name and email of the modified user. The separate folders for individual users are all stored in a "Modified Access" folder. On an annual basis, the Accounting Supervisors and IT will reconcile their "Modified Access" folders to ensure they have the same user modifications to the FMS.

C.4. Notifying the Appropriate Stakeholders of Terminated Employees

1. HR Representation Notifies IT and Finance Department/Business Office

In the event an employee is to be terminated from service, Human Resources must notify the IT Department and the appropriate Accounting Supervisor, via email, no less than 4 hours prior to the termination to ensure all access rights to the FMS are revoked. This notification must include the employee's full name, department, job title and phone number to ensure the correct employee is removed. The Controller or Director of Business & Operations, respective HR personnel, and the appropriate Department Head must be copied on the email. In the case an employee is terminated for cause, the First Selectman or Superintendent should be copied respectively

2. IT Disables The User Account

Upon receipt of the email notification from Human Resources, IT must immediately disable all access rights to the FMS. Once complete, a reply confirmation email is sent to HR and the Accounting Supervisor. Copies of the email must also be sent to: the Controller or Director of Business & Operations, respective HR personnel, and the appropriate Department Head.

3. Archive Termination Requests

IT and the appropriate Accounting Supervisor are responsible for archiving all termination email notifications from Human Resources. Emails are stored in folders, labeled according to the name and email of the terminated user. The separate folders for individual users are all stored in a "Terminated User" folder.

4. Accounting Supervisor Reviews FMS User Accounts

On an annual basis, the Accounting Supervisor is responsible for vetting terminated employees against users in the FMS. Human Resources will provide the Accounting Supervisor with a list of terminated employees from the current year to perform the review. The Accounting Supervisor will review the FMS user list to ensure no terminated employees on the HR provided list have an active account. The Controller or Director of Business & Operations will review, sign off and file the review if successful. The Accounting Supervisor is then responsible for notifying Human Resources of a successful review.

If any discrepancies are found, the Controller or Director of Business & Operations, and respective HR personnel, are to be notified immediately and appropriate removal and investigative action will be taken. On an annual basis, the Accounting Supervisors and IT will reconcile their "Terminated User" folders to ensure they have the same termination requests to the FMS.

C.5. Systems Support

The Town and School District IT Departments are responsible for all network administration and support. The IT Departments, with support of the Accounting Supervisors, are responsible for all FMS administration and work with support from Tyler Technologies to manage the software.

C.6. User IDs and Passwords

Although the information gathered, processed and maintained by the Town and School District of Brookfield is in some respects, by law, public record, access to that information must be controlled to assure integrity and use of that data for Brookfield operations. Brookfield has implemented various system controls to protect this information, ensuring that only authorized employees have access. This access is further restricted to only those capabilities that are appropriate to each employee's job duties.

1. IT Department Responsibilities

The IT Department is responsible for the administration of access controls to all Brookfield computer systems. The IT Department will process additions, deletions, and changes upon receipt of a request from the HR Department or the end user's supervisor. All requests must be provided by electronic mail for record keeping purposes. The IT Departments are responsible for responding to all electronic requests promptly and in a timely fashion, and will maintain a list of administrative access codes and passwords and keep this list in a secure area.

2. Employee Responsibilities

Each employee:

- Shall be responsible for all computer transactions that are made with his/her user ID and password.
- Shall not disclose or share passwords with others. Passwords must be changed immediately if it is suspected that they may be known to others. Passwords should not be recorded where they may be easily obtained.
- Will change passwords at least every 90 days.
- Should use passwords that meet complexity requirements.
- Should log out when leaving a workstation for an extended period.

3. Supervisor's Responsibility

Managers and supervisors should notify Human Resources promptly whenever an employee leaves Brookfield or transfers to another department so that his/her current access can be revoked. Involuntary terminations must be reported by the HR Department concurrent with the termination. The HR Department will contact the Finance Department/Business Office and the IT Department as needed.

4. HR Department Responsibility

The HR Department will notify the IT Department by electronic mail at least three days prior to the new employee's hire date to allow sufficient time to set up a new ID with the necessary access rights. This electronic notification should include the new employee's job title and system access requirements. For any involuntary terminations, the HR Department must notify the IT Department concurrent with the termination to ensure all system access can be revoked.

C.7. Role Backup

Two employees in each respective IT Department should be prepared to serve as FMS administrator; one being the primary and the second a backup FMS administrator. Finance Department and Business Office employees should be properly trained and prepared to serve as backups in the situation that an IT employee is unavailable for an extended period of time.

4. CHART OF ACCOUNTS

D.1. Account Code Structure

D.1.a. Uniform Chart of Accounts

The Town and School District of Brookfield utilize a single chart of account code structure. The State of Connecticut's Uniform Chart of Accounts (UCOA) is the standard for reporting financial statements to the State. Under UCOA, the Town and School District report their assets, liabilities, fund balances, revenues and expenditures using the same set of accounts. Although both entities will use the same chart of accounts, the MUNIS application allows the Town and School District to run reports separately when required. Additionally, from a security perspective, the MUNIS application grants a sufficient amount of control between the two entities, thus only allowing authorized employees between the Town and School District to access certain funds and accounts.

D.1.b Oversight Policy

The Controller and Director of Business & Operations are responsible for maintaining the Brookfield's uniform chart of accounts structure. The Accounting Supervisors have the ability to add new accounts, but they still must notify the Controller or Director of Business & Operations, via email, for approval to create new accounts. Any and all requests for new accounts must be emailed directly to the Controller or Director of Business & Operations for approval. All approval emails must be archived on the respective network in a FMS labeled folder. Only the four (4) aforementioned employees have FMS authorization to create new accounts.

D.1.c Elements of the Account Code Structure

Outlined below is the standard chart of account structure for the Town and School District. Except for the Project/Grant segment, all other segments must only have numeric values and support the UCOA codes. (see attached)

1. Fund – 4 characters
Each fund has its own individual code. A fund number has to be assigned first before any activity can be entered into the FMS.
2. BOE Location/CAFR Function – 5 characters
3. Department– 4 characters
These numbers represent the individual departments across the Town and School District.
4. BOE Function – 4 characters

5. Program/Sub-Department– 6 characters

6. Object – 5 characters

These numbers classify revenues and expenditures for which specific areas are charged. They also represent the activity for which a service or material object is acquired.

- 1 = Asset
- 2 = Liability
- 3 = Fund Balance
- 4 = Revenue
- 5 = Expense

7. Grants/Project – 6 characters

Projects and/or grants will be identified through this number classification.

5. BUDGETING

E.1. Budget Preparation and Presentation

Department Heads - At least one hundred sixty-five (165) days before the end of the fiscal year the head of each office or agency of the Town, supported wholly or in part from Town funds, with the exception of the Board of Education, shall file with the First Selectman a detailed estimate of the expenditures to be made by that office or agency and the revenues, other than property tax revenues, to be collected thereby in the ensuing fiscal year.

For the Board of Education, said estimate shall be filed not later than one hundred fifty (150) days before the end of each fiscal year. Such estimates shall be accompanied by a statement setting forth the services, activities and work accomplished or to be accomplished during the current year and planned for accomplishment during the ensuing fiscal year.

First Selectman - The First Selectman shall review the budget estimates with the heads of all Town-supported offices and agencies. Upon completion of the review, the First Selectman shall, not later than one hundred thirty-five (135) days before the end of the fiscal year, present to the Board of Selectmen and the Board of Finance, together with any recommended alterations or changes, the budget of all Town offices and agencies, including:

- (1) A budget message describing the important features of the proposed Town budget indicating major changes from the current year, expenditures and revenues, together with the reasons for such changes and containing a clear general summary of the budget contents
- (2) A recommendation for those capital projects to be undertaken during the ensuing fiscal year and the method of financing these projects.

Board of Selectmen - The Board of Selectmen shall consider the budget estimates as submitted by the First Selectman and shall make such further revisions as the Board deems desirable. The Board of Selectmen shall then submit its budget recommendations to the Board of Finance not less than one hundred twenty (120) days before the end of the fiscal year.

Board of Finance -

- (1) Upon receipt of budget recommendations from the Board of Selectmen, the Board of Finance shall prepare a proposed Town budget.
- (2) The Board of Finance shall, upon request, afford each agency and department an opportunity for a hearing on the proposed budget of such agency or department, first giving notice to the Board of Selectmen with respect to the hearing on the proposed budget of each agency and department.
- (3) The Board of Finance shall hold one (1) or more public hearings concerning the proposed Town budget, one (1) of such hearings to be held not less than fourteen (14) days before the Annual Town Meeting, at which hearings any person qualified to vote at the Annual Town Meeting shall have an opportunity

to be heard. The Board of Finance may then revise the proposed Town budget as it deems advisable.

- (4) The proposed Town budget may include a contingency fund established in accordance with the CT General Statutes and an appropriation to any fund for capital and nonrecurring expenditures which may be established in accordance with the CT General Statutes and may provide for the payment of any part of the debts of the Town. The proposed Town budget shall also include estimates of the revenue to the Town from all sources for the ensuing year, including taxes to be raised on the last completed grand list. The Board of Finance shall present the budget to the Annual Town Meeting.
- (5) The Board of Finance shall make available copies of the proposed Town budget in the office of the Town Clerk not less than ten (10) days before the public hearing. It shall, before the Annual Town Meeting, publish the proposed Town budget in a newspaper of general circulation in the Town and make available the proposed Town budget and any other reports prescribed by law.

E.2. Budget Adoption

Adoption of the budget submitted by the Board of Finance, and acted upon at the Annual Town Meeting in accordance with §§ C9-1, C9-2 and C9-3 of the Brookfield Town Charter, shall be by vote at a referendum held between the hours of 6:00AM and 8:00 PM not less than eight (8) nor more than fourteen (14) days following the Annual Town Meeting. At the referendum, the proposed budget shall be voted on in two separate parts, in two separate questions, one for Town Operations and one for Education.

In the event the referendum shall fail to adopt one or both parts of the budget, the referendum shall be adjourned until the fourteenth (14) day following and thence to successive fourteen (14) days until both parts of the budget become adopted at the same referendum. Appropriate notice shall be given prior to each referendum.

Upon rejection of one or both parts of the budget-by referendum, the budget shall be reconsidered by the Board of Finance. The Board of Finance shall then approve the same or a revised budget for presentation at the next referendum.

In the event that no budget has been adopted by the end of the fiscal year, the budget for the then-current fiscal year shall be deemed to be the temporary budget for the forthcoming fiscal year, and expenditures shall be made on a month-to-month basis in accordance therewith until such time as a new Town budget is finally adopted.

E.3. Budget Monitoring, Appropriations, Transfers and Borrowing

E.3.a. Town of Brookfield

The Finance Director is responsible for administering and monitoring the budget through the course of the year. On a regular basis, the Finance Director updates the First

Selectman and Finance Committee on budget appropriations versus expenditures to date. The Financial Reports are reviewed and signed by the Finance Director prior to submission to the Finance Committee. All line item transfers are prepared by the Finance Department and presented to the Finance Committee for review and recommended approval to the Board of Selectman and Board of Finance. Line item transfers are made only once per year by the Controller with appropriate Board approval..

E.3.b. Mansfield Board of Education

The Superintendent's Office is responsible for administering and monitoring the budget through the course of the year. A budget report, prepared in the same format as the annual budget, is presented to the Board of Education at the second regularly scheduled meeting in the month following the period for which such report is prepared. The report must show the appropriated budget amount for each line item, expenditure to date, project expenditures, difference between the project expenditures and the appropriation, and general comments indicating the reason for the difference. The Board of Education may transfer unexpended balances from one appropriation to another in accordance with the CT General Statutes. The Superintendent will recommend to the Board of Education any requested line item transfers. The Superintendent is authorized to approve urgent line item transfers without approval of the Board of Education as long as they do not exceed 5% of the total budget. Urgent transfers will be announced at the next regularly scheduled meeting with the Board of Education.

E.3.c. Special Appropriations and Transfers of Appropriations

The Board of Selectmen, when requested by any Town department and after approval by the Board of Finance, may make special appropriations from cash surplus, borrowing as limited by § C8-8 of the Brookfield Town Charter or any approved contingency fund in amounts not to exceed in the aggregate in any one (1) fiscal year ten percent (10%) of the amount appropriated or twenty thousand dollars (\$20,000.), whichever is greater, for such department in the current Town budget, provided that the aggregate sum so appropriated for all agencies in any fiscal year does not exceed one percent (1 %) of the total annual Town budget.

If within twenty (20) days from the Board of Finance rejection of a request for either a special appropriation or transfer pursuant to C8-5A of the Brookfield Town Charter, a petition signed by not fewer than four percent (4.0%) of the Town electors as determined from the latest official list of registered electors is filed with the Town Clerk requesting either a Special Town Meeting or referendum as required by C8-5A of the Brookfield Town Charter, such Special Town Meeting or referendum shall be held.

Any request by any Town department for a special appropriation which shall exceed the amount that the Board of Selectmen is empowered by§ CB-5A of the Brookfield Town Charter to appropriate for that department in any one (1) fiscal year shall be acted upon by a Special Town Meeting after approval by the Board of Finance.

Special appropriations other than those from cash surplus, borrowing as limited by § CB-8 of the Brookfield Town Charter or any approved contingency fund may be acted upon only by a Special Town Meeting after approval by the Board of Finance.

All requests for special appropriations and transfers of unexpended funds shall be made in writing to the Board of Selectmen, which shall, within fourteen (14) calendar days after receipt thereof, forward such requests together with such comments and recommendations as the Board of Selectmen deems advisable to the Board of Finance. The Board of Finance shall act on all requests for special appropriations or transfers of unexpended funds within thirty (30) days after receipt thereof and shall immediately after acting advise the department making such request and the Board of Selectmen of its action. The Board of Selectmen shall act on such requests within fourteen (14) calendar days after notice of approval of such requests by the Board of Finance and shall immediately advise the department making such requests of its action.

The provisions of § CB-5 of the Brookfield Town Charter shall not be a limitation on the power of the Town to issue bonds or other obligations for appropriations or indebtedness in accordance with the CT General Statutes and § C9-4 of the Brookfield Town Charter. The Board of Finance shall recommend the methods for financing a capital expenditure.

E.3.e. Emergency Appropriations

For the purpose of meeting a public emergency threatening the lives, health or property of citizens, emergency appropriations, the total of which shall not exceed one half of one percent (1/2 of 1%) of the total annual budget, may be made upon the recommendation of a majority of the members of the Board of Selectmen and by an affirmative vote of not fewer than four (4) members of the Board of Finance. In the absence of sufficient general fund resources to meet such appropriations, additional means of financing shall be provided in such manner as may be determined by the Board of Finance.

Purchases -

No agency shall make a purchase except through the First Selectman or Treasurer or a Town employee designated by the First Selectman. Any board or commission that may require the assistance of an outside professional consultant in the furtherance of its mandated responsibilities shall submit the name of the firm or consultant to the Board of Selectmen for its approval, including the estimated cost to the Town for said services. The Board of Selectmen shall be the ultimate hiring authority and shall enter into contract, if required, with said firm or consultant.

No voucher, claim or charge against the Town shall be paid until First Selectman or the Treasurer or a Town employee designated by the First Selectman has audited the same and approved for correctness and validity. Checks shall be signed by the First Selectman for the payment of approved claims and shall be valid only when countersigned by the Treasurer. In the absence or inability to act of either the First Selectman or the Treasurer with respect to the above duty, the Board of Selectmen shall designate a Selectman in accordance with § C5-4 of the Brookfield Town Charter to substitute temporarily for the First Selectman and another Town officer or employee to act for the Treasurer.

When any agency shall desire to secure a transfer of funds within its appropriation from funds set apart for one specific purpose to another, before making any expenditure thereof such agency shall first make application to the Board of Selectmen, whose duty it shall be to examine the matter. Upon the recommendation of the Board of Selectmen, the Board of Finance may make such transfer.

Appropriations for construction or for other permanent improvements, from whatever source derived, shall not lapse until the purpose for which the appropriation was made shall have been accomplished or abandoned, provided that any such project shall be deemed to have been abandoned if three (3) fiscal years shall elapse without any expenditure from or encumbrance of the appropriation therefor. Any portion of an annual appropriation remaining unexpended and unencumbered at the close of the fiscal year shall lapse.

Every payment made in violation of the provisions of the Brookfield Town Charter shall be deemed illegal and every official authorizing or making such payment or taking part therein and every person receiving such payment or any part thereof with knowledge of illegality shall be jointly and severally liable to the Town for the full amount so paid or received. If any officer or employee of the Town shall knowingly incur any obligation or shall authorize or make any expenditure in violation of the provisions of the Brookfield Town Charter or take part therein, such action shall be cause for removal.

E.3.f. Borrowing

The Town shall have the power to incur indebtedness by issuing its bonds or notes as provided by the CT General Statutes subject to the limitations thereof and the provisions of the Brookfield Town Charter.

Borrowing limits -

- (1) The Board of Selectmen shall have the power to borrow funds and authorize the issuance of notes to be repaid out of the receipts from taxes collected within the fiscal year such indebtedness is incurred and one (1) month thereafter, up to an aggregate amount of fifty thousand dollars (\$50,000.) during any fiscal year, provided that no such borrowing shall be made in excess of the aggregate amount of twenty-five thousand dollars (\$25,000.) in any fiscal year without the approval of the Board of Finance.
- (2) Any borrowing and any issuance of bonds or notes, except tax anticipation notes, in excess of fifty thousand dollars (\$50,000.) shall be authorized by a Town Meeting on the recommendation of the Board of Selectmen and the approval of the Board of Finance.
- (3) Any borrowing and any issuance of bonds or notes, except tax anticipation notes, in excess of one million dollars (\$1,000,000.) shall be authorized at a referendum pursuant to § C9-4B of the Brookfield Charter upon the recommendation of the Board of Selectmen and approval of the Board of Finance.

In the event that the Board of Finance shall determine that any nonrecurring expenditure proposed by the Board of Selectmen and approved by the Board of Finance is so large an amount that the tax laid to pay it would make the total tax so high that in the judgment of the Board of Finance it would be inconsistent with the public welfare, the Board of Finance may authorize, subject to the vote of a Town Meeting, borrowing such amount and the issuance of notes to be repaid over a period of not more than five (5) years in accordance with the provisions of the CT General Statutes.

All notes or bonds issued by the Town shall be executed and delivered by the First Selectman and the Treasurer or such other officer as may be designated by the vote authorizing their issuance. Any vote of the Town Meeting authorizing the issuance of notes may delegate the authority to establish all terms except the amount, time of repayment and maximum interest rate. Borrowing in amounts in excess of twenty-five thousand dollars (\$25,000.) shall be on the basis of written bids.

E.4. Budget Training

At the beginning of each fiscal year, the Controller will meet with Town Department Heads, and the Director of Business & Operations meet with School District Department Heads and Principals, and review each budget in full. The purpose of this exercise is for the Controller and Director of Business & Operations to provide guidance on how the budgets should be managed and what each budgeted line item represents. The Director of Business & Operations will allocate additional time to the High School Athletic Director to ensure he/she understands the differences between the Student Activity Fund and the Actual Athletics Budget. The exercise helps Department Heads understand new/alterd line items as a result of the Uniform Chart of Accounts migration. Also, the exercise should train Department Heads to communicate open purchase orders and how these can have an impact on the following year's budget.

6. CASH AND BANK RECONCILIATION

F.1. Petty Cash

Petty Cash is intended to reimburse employees making pre-approved, departmental purchases and are not to exceed \$100 on an individual basis. Petty Cash Administrators manage the various petty cash accounts and Department Heads are responsible for making the pre-approvals. Department Heads have the right to not pre-approve an employee reimbursement request if they feel the purchase does not qualify for reimbursement. All Petty Cash Administrators, and Department Heads qualified to make pre-approvals, should be documented and known by all Town and School District employees.

F.1.a. Obtaining Reimbursement

1. Request Approval From Department Head and Submit Petty Cash Request To The Petty Cash Administrator

Employees seeking petty cash reimbursement must submit the request to their respective Department Head. All requests must be signed and dated by the requestor and respective Department Head. Disbursements are not to exceed \$100 on an individual basis. The approved request is then submitted to the Petty Cash Administrator by the requestor. Cash will not be disbursed without the review and signature of the Petty Cash Administrator. Petty cash requests must be submitted during the fiscal year of the actual purchase(s). Any Petty Cash Administrator seeking personal reimbursement must gain approval from a different Petty Cash Administrator.

2. Receipt Included With Request

All Petty Cash requests require an original receipt for the amount to be disbursed. Copies of receipts will not be accepted. Receipts must be itemized showing individual items for all purchases. Brookfield does not allow online purchases using a personal credit card submitted for reimbursement.

3. Disburse Cash To Requestor And Log Changes

Funds are disbursed in the form of cash to the person requesting reimbursement. The Petty Cash Administrator will then record the disbursement in the petty cash report. The Petty Cash Administrator is responsible for keeping the report up-to-date with all disbursements. The report must completely document the proper General Ledger code, amount paid, and the department/program to be charged. Documented invoices and cash slips must be properly endorsed by the recipient of funds. The Petty Cash Administrator must sign and date the report before submission to Finance.

4. Chief Executive Reimbursement

Chief Executives of the Town or School District must have signed approval from the Controller or Director of Business & Operations to receive petty cash reimbursement.

F.1.b. Petty Cash Replenishment

1. Complete Petty Cash Replenishment Purchase Order

On a monthly basis, the Petty Cash Administrator will reconcile expenditures with cash on hand using the appropriate petty cash report. Once reconciled, the Petty Cash Administrator will submit the reconciled report, receipt documentation and a replenishment requisition to the Accounts Payable department for replenishment.

2. Accounts Payable Processes Request

Accounts Payable will process the request for reimbursement and create the appropriate purchase order to do so. The AP Clerk must sign and date the review of all reimbursement documentation before creating the appropriate purchase order.

F.2. Termination of Petty Cash Accounts

The Controller maintains the authority to suspend or terminate a Town petty cash account that is non-compliant with the aforementioned operating procedures. The Director of Business & Operations also maintains the authority to suspend or terminate a School District petty cash account that is non-compliant with the aforementioned operating procedures.

F.3. Bank Reconciliation Process

The Town Accounting Supervisor is responsible for completing bank reconciliations on a monthly basis. This process requires reconciling approximately 30 bank accounts with activity in MUNIS. The Accounting Supervisor is required to utilize the appropriate banking software platform in order to complete the reconciliation process in an efficient and timely manner. The automated Do-To, Do-From function in MUNIS should be utilized to avoid the need for manual entries. If reversals or accruals are required as part of the process, they should be openly noted, with an explanation, by the Accounting Supervisor. These reconciliations are part of the monthly closing procedures and must be reviewed and signed off on by the Controller.

F.3.a. Access to Online Bank Statements

It is the responsibility of the Controller to manage access to the Town's online bank statements. The Director of Business & Operations has the authority to request read-only access to online bank statements on behalf of the School District. The Controller must comply with requests made by the Director of Business & Operations and to complete these requests in a timely manner such not to hinder School District operations. On an

annual basis, all access to online bank statements should be reviewed and approved by the Controller.

F.4. Departmental Reconciliations

F.4.a. Cash Registers

Town and School District Departments that collect revenues (i.e. Land Use Department and application fees) are responsible for reconciling monies received with cash register reports. It is the responsibility of the Department to count the monies received, fill out an applicable deposit form, reconcile the form against the cash register report, and have the Department Head sign and date the completed reconciliation. The register(s) must be locked at all times when not in use and only approved employees should have access.

F.4.b. Non-Profit Accounts

All Departments that manage an independent 501(c)(3) account (i.e. Senior Center/Social Services and “Friends of Brookfield” account) must perform a monthly reconciliation of the account. All receipts and disbursement must be recorded on a separate ledger and reconciled with the bank statement. The Department Head is required to sign and date the completed reconciliation. If the account is used for reimbursements, all reimbursements must be tracked by the Department Head and original copies of receipts must be maintained.

F.4.c. Food Services

It is the responsibility of the Food Services Department to reconcile food services receipts on a daily basis. Cash and checks received at the register, and online payments through My School Bucks, are rerecorded in a separate revenue system and then reconciled against the NurtiKids POS report. If the reconciliation properly ties out, the funds should be deposited at the bank daily. After deposit, Food Services staff should be granted access to deposit slips in order to reconcile activity with the bank. The completed reconciliation then needs to be sent to the Business Office for further validation. It is the responsibility of the Accounting Supervisor to reconcile the daily deposit reports against the online bank statements. This process should be completely on a weekly basis.

7. RECEIPTS AND REVENUES

G.1. Departmental Miscellaneous Revenues

Individual Departments are responsible for securely storing and recording incoming revenues. Monies received must be recorded on a standardized Daily Deposit Form and provided to the Finance Department or Business Office on a daily basis. It is the responsibility of the Department Secretary to reconcile monies received with what was recorded on the Daily Deposit Form, and then the Department Head must review the reconciliation and sign-off. Once provided to the Finance Department or Business Office, a second reconciliation must be performed by Town or School District financial staff, and then the funds can be appropriately recorded in MUNIS, and later deposited at the bank.

G.2. Tax Collector Revenues

The Tax Collector's Office has standardized procedures for receiving, recording and reconciling daily tax revenues. Cash and checks are received manually at the Office's money drawer and recorded in Quality Data Systems (QDS). Echecks and credit card payments are processed online using Express Payments and then also recorded in QDS through a txt file upload. An Express Payments report is reconciled against what was entered into QDS to ensure accuracy of revenue recording. Any adjustments made by the Tax Assessor's Office, that result in a new tax payment amount, require documented approval and further reconciliation by the Tax Collector.

G.3. Fundraising Revenue Procedures

Any Brookfield Department or School that wishes to host a fundraiser must go through a series of approvals. On the Town side, if a Department wishes to host a fundraiser, the Department Head must email the First Selectman a detailed explanation of how the fundraiser will work, who will manage the activity and the receipt of funds, how much money the fundraiser projects to raise, what the revenues will be used for, and why the revenues are needed. The First Selectman has the authority to approve or deny Town-related fundraising activities.

On the School side, if a School wishes to host a fundraiser, the Principal must email the Director of Business & Operations a detailed explanation of how the fundraiser will work, who will manage the activity and the receipt of revenues, how much money the fundraiser projects to raise, what the revenues will be used for, and why the revenues are needed. The Director of Business & Operations and the Superintendent have the authority to approve or deny School District related fundraising activities.

If a fundraiser is approved, the receipt of revenues must be recorded on a standardized fundraising form, reconciled against the monies received, and signed and dated by the head of the activity and the Department Head or Principal. The Department Head or Principal will inform the Controller or Director of Business & Operations if the fundraiser was completed

successfully and if the reconciliation ties out. If the funds require deposit at the bank, the Department's Secretary or Principal's Secretary will complete a standardized deposit form, attach the standardized fundraising form, and send both forms with the monies to the Finance Department or Business Office for further processing and an eventual deposit.

G.4. Food Services Revenues

The Food Services Department is responsible for properly receiving and recording food services revenues. Student accounts are credited in two (2) different ways. Student can present cash or checks to the cashier directly, in which case the cashier credits student accounts directly through the NutriKids POS system. The other method is for parents to electronically deposit funds to the child's account through the My School Bucks online system. My School Bucks and NutriKids are solutions provided by Heartland Payment Systems and therefore electronically interface. Total daily revenues are recorded in NutriKids and reconciled against actual payments received. The revenues are then entered in a separate revenue system.

8. PURCHASING

H.1. Principles of Purchasing

H.1.a. Purchasing Program Overview

- Establishment of written policies, regulations, controls and guidelines for the purchasing process
- Integration of budgeting and recordkeeping functions with purchasing processes

H.2. Purchasing Policies

All purchases must go through the formal request and approval process detailed in the following policy. Exceptions to the process include p-card purchases and emergency purchases which are detailed in the Exceptions to the Normal Purchasing Process section (H.7.) of this policy.

H.2.a. Formal Purchasing Procedures

In order to formalize the Brookfield purchasing process and ensure the accuracy of financial reporting, the following procedures must be adhered to:

- 1) Departments and Schools are forbidden from placing orders and receiving invoices prior to completing the requisition and purchase order process – all appropriate approvals must be made prior to placing orders for goods and services.
- 2) Employees are not allowed to use personal credit cards to make purchases for the Town or School District operations. Standard Department and School District purchases must go through the purchase order or p-card process.
- 3) The employee responsible for receiving goods at any Town or School District location must properly validate the item received, sign and date the packing slip, and provide the necessary documentation to the Finance Department/Business Office.

H.2.b.FMS Three-Way Match

The Town and School District's Accounts Payable staff are required to utilize the three-way match function in the FMS. The three-way match refers to three (3) documents involved in the purchasing process: the vendor invoice, the purchase order and the receiver document. It is the responsibility of each Department and Accounts Payable to ensure the quantities, price per unit, terms, and other critical information, are uniform across the three (3) documents. Once the three-way match has been validated, the invoice can be further processed for payment. All invoices must correspond with a single unique purchase order unless the invoice is drawn from an approved blanket purchase order (see section H.5. for details).

H.2.c. Purchases Under \$5,000

Departments and Schools may purchase directly, using approved vendors, all items or quantities of items having a value of less than \$5,000 except those which are available through bulk purchasing as arranged by the Finance Department or Business Office. The procedures are as follows:

Every purchase shall require a Purchase Requisition to be initiated by the requesting Department or School in the FMS system and must be filled out completely, including supporting documentation scanned and attached, and approved electronically by the Department Head or Principal, Finance Department or Business Office Accounts Payable Clerk, and the Controller or Director of Business & Operations, before it can be issued to a vendor. Only approved employees are allowed to initiate requisitions in the FMS system. The FMS has been configured to check budget availability for all Purchase Requisition. If a line item does not have sufficient funds available, The FMS will not allow the purchase requisition to be completed. A Department Head or Principal can request a transfer of monies from a different line item. These requests follow a separate approval process (See section E.3)

If a Town requisition is greater than \$5,000, First Selectman approval is required as well. The First Selectman approval threshold will be reviewed on a semi-annual basis to ensure that the dollar amount provides the optimal balance of control and processing efficiency.

Receiver Document

A receiver is the document received with the goods ordered. It could be in the form of a sales order, work order, or shipping document. The receiver is proof that items have been received from a vendor. The receiver is the purchasing department notification that the merchandise received by the department or school is correct. Therefore, all receivers must be initialed, dated, copied manually or scanned into the FMS system as an attachment to the purchase order. The receiver form with attachment will automatically be forwarded to the Finance Department or Business Office immediately upon approval of the items received. The information on the receiver should be checked thoroughly against the merchandise received, and the purchase order. If the materials, supplies, or equipment delivered or services rendered do not match the purchase order issued to the vendor, the originating department shall notify the vendor that the delivery has been rejected and will coordinate the effort to make a satisfactory replacement or supplementary delivery.

Invoice Document

An invoice is the vendor's statement of his charges against the Town or School District for materials or services rendered. Invoices should contain substantially the same information as on the purchase order. All invoice information will be entered by the originating department or school either manually on the purchase order or electronically on the FMS system and be approved by the Department Head or Principal. In some cases, the invoice may be delivered with the goods at the delivery point. In such cases the responsible department or school will scan the invoice information into the FMS system and have the Department Head or Principal approve electronically.

Once approved by the Department Head or Principal, the invoice information and supporting documentation will automatically be forwarded to the respective Accounts Payable department. The Accounts Payable department will check the invoice against the purchase order to insure that the terms are as specified, the discounts, if any, have been given, and that all calculations are correct, attach the receiver, electronically approve and forward the invoice to the Controller or Director of Business & Operations for final approval (assuming under \$5,000).

Payment

Payments to vendors will be made only upon the receipt of a properly initialed received, and a valid invoice from the vendor. No payments will be made from a vendor statement.

H.2.d Purchases between \$5,000 - \$20,000

The following procedures are prescribed for obtaining materials, supplies, equipment, or services, other than professional services for the Town or School District of Brookfield, for all purchases between \$5,000 - \$20,000. Three (3) written vendor quotes are required for purchases requisitions between \$5,000 to \$20,000 dollars. Any exception to this policy must be approved by the First Selectman or Superintendent for "just cause".

Routing of the Purchase Requisition

The purchase requisition will be approved by the originating Department Head or the Principal of the originating school. Again, the FMS will check for available budgets via line item.

All supporting documentation will be scanned and attached to the purchase order either manually or scanned in the FMS system. The purchase requisition will be submitted either by an administrator of the department or school or the Department Head or Principal. In both instances, the department or school must approve the purchase requisition in the FMS system. After being approved by the Department Head or Principal, the distribution of the purchase order will be as follows:

- 1) The purchase order will automatically be sent electronically to the Accounts Payable Clerk of the Finance Department or Business Office for review and approval of budget and account coding.
- 2) The Accounts Payable Clerk will approve budget and account coding in the FMS system or disapprove the purchase order request due to insufficient funds or coding. (The FMS System will automatically return the purchase order to the Department Head if disapproved).
- 3) Once approved by the Accounts Payable Clerk the purchase order will automatically be sent electronically to the Controller or Director of Business & Operations for final approval.
- 4) All supporting documentation for the purchase order will be kept by the originating department. Copies of all supporting documentation will be retained and attached electronically in the FMS system.

Receivers, Invoices and Payments –

Procedures for managing receivers, invoices and payments to vendors are identical to those as outlined for purchases under \$5,000 in section H.3.a.

H.2.e Purchases in Excess of \$20,000

The following procedures are prescribed for obtaining materials, supplies, equipment, or services including professional services for the Town and School District of Brookfield for all purchases in excess of \$20,000 unless the respective entity can take advantage of a State of Connecticut contract. All capital assets, equipment purchases, and/or professional services in excess of \$20,000 in any department's requested budget require sealed bids and must be quoted through the bidding process.

H.2.e.1. Bid Procedures

The requesting department will be required to submit the following paperwork to obtain sealed bids:

- 1) Detailed Specifications in publishable format.
- 2) A typed list of vendors for bid invitations to be sent to. (To include vendor name, addresses, phone numbers)

All Departments and Schools will be required to send at least 3 requests to qualified vendors for sealed bids and forward a copy of the bid package to vendors requested by the department or school, vendors the Town or School District has experienced in the past and/or those vendors in a similar field. Bid packages include the following information:

- 1) Instructions to Bidders
- 2) Hold Harmless Agreement
- 3) Insurance Requirements
- 4) Bid Specifications

A copy of the complete bid package will be returned to the requesting department or school, the First Selectman or Superintendent and the Town Controller or Director of Business & Operations for review.

Bid Opening

The bid advertisement will state the bid due date. For Town bids, the Department Head is expected to attend the bid opening along with the Controller or a designated representative from the Finance Department. For School District bids, the Department Head or Principal is expected to attend the bid opening along with the Director of Business & Operations or a designated representative from the Business Office.

Bid Award

When the sealed bids are opened, they will be qualified by the Department Head or Principal and the Controller or Director of Business & Operations. Once the bids have

been qualified, the bid will be awarded to the most qualified bidder providing the lowest cost.

Purchase Order

The bid will officially be accepted when a completed purchase order is prepared by the Department or School and approved by the Controller or Director of Business & Operations. The purchase order will be issued using the information from the purchase requisition. The purchase order will be routed using the same procedure as stated in section H.3.

H.3.a.State Contract Exception

All goods and services that are currently on pre-approved State contracts may be purchased, via the normal purchase order process, directly from the authorized contractors as identified on such contracts. A formal bid process is not required under these circumstances. Information on these contracts, including bid notices and current contracts, can be found on the Department of Administrative Services (DAS) website, or other centralized purchasing agencies.

H.4. Blanket Purchase Orders

A blanket purchase order is a purchase order issued by the Finance Department or Business Office usually at the beginning of a fiscal year to a particular vendor, for an estimated dollar amount to be purchased during that fiscal year. For the purpose of this section, a fiscal year will begin on the first day of July and end on the last day of June in accordance of approved Town budget year. All blanket purchase orders will expire at the end of the fiscal year. The blanket purchase order will allow the using department to draw against this purchase order when in need of supplies and/or services during the respective fiscal year. The Finance Department and Business Office will determine all blanket purchase orders.

Completing a Request

Departments or schools using supplies for which blanket purchase are applicable will submit a request to the Finance Department or Business Office five (5) days prior to the first anticipated need for the fiscal year. The supplies to be purchased during the year will be described in a general manner, such as automotive parts, office supplies, building supplies, etc. The amount requested is to be included in the requisition for the purchase order.

Ordering Supplies

After the department or school has received its copy of the blanket purchase order, approved by the Finance Department or Business Office, supplies described generally on the purchase order may be obtained by ordering directly from the vendor. These purchases must make reference to the blanket purchase order number to which the supplies are to be charged.

The receipt of individual shipments shall be recorded on the receiving copy specifying items ordered, so that a record of items as well as expenditures against the blanket purchase order can be recorded and the department or school can remain aware of the remaining unexpended

balance of the purchase order. Vendor delivery slips or other documents will be required on every purchase order. In no instance will department or school orders be allowed to exceed the amount encumbered by the blanket purchase order.

When the amount of the blanket purchase order is exhausted, the department or school will forward another request to the Finance Department or Business Office requesting an additional blanket purchase order for the remainder of the fiscal year.

H.4.a. Proper Procedures and Training

All Department Heads, Principals and Secretaries must be properly informed and trained on the use of blanket purchases orders. Departments and Schools are forbidden from creating multiple purchase orders to circumvent the standard sign-off and/or bid procedures for purchases in excess of \$5,000 and \$20,000 respectively.

H.5. Purchasing Cards (P-Cards)

Purchasing Cards are awarded to Department Heads and other Town and School District employees on an as-needed basis. All purchases made by Town or School District p-cards are for Town or School District business only; personal expenditures are not allowed. Requests for p-cards must be directly approved by the Controller or Director of Business & Operations. On an annual basis, the Finance Department and Business Office will compare the year's terminated employees against current cardholders to ensure all cardholders are active employees.

P-Card Usage:

P-cards are intended for vendor purchases that do not accept purchases orders or purchases for items that need to be obtained immediately in order to prevent a hindrance in Town or School District operations. P-cards can also be used to purchase goods or services in an emergency situation (see section H.6 for details). P-cards allocated to a department or school are not to be used for purchases for other departments or schools.

Policy Agreement:

All p-card granted employees must sign a Cardholder Agreement Form and a Purchasing Card Use Policy. These policies outline purchasing ethics, general policies, the purchasing process, recordkeeping requirements and authorized account usage.

Spending Limits:

Cardholders are held to daily and monthly spending limits based on their job function. On an annual basis, the Finance Department and Business Office will review cardholder spending limits and adjust the limits at their discretion.

H.6.a. P-Card Recordkeeping

Cardholders are responsible for entering their purchases online and applying them to the correct account codes. All purchases must be entered by the 15th of each month or the Finance Department or Business Office will freeze the individual p-card. Cardholders

print their monthly expense report, attach supporting documentation and receipts, sign the report, have their Department Heads review and sign the report, and send it to the Finance Department or Business Office for processing. The Finance Department and Business Office perform monthly reviews of p-card expenditures to ensure there is no backlog of unprocessed purchases and that all purchases have appropriate documentation. All reviews must be signed and dated.

H.6. Purchasing in Emergency Situations or under Extraordinary Conditions

Definition of an Emergency

Emergency situations shall be defined as situations in which the operation of a department or school would be seriously hampered; or in which life, limb, or property may be endangered; or in which the health or welfare of the general public is seriously threatened. Extraordinary conditions shall be defined as conditions which are not known until after an operation has begun, which require unanticipated parts, equipment or materials to be obtained in order for the operation to be completed. Extraordinary conditions may be present in construction projects or automotive equipment repair involving hard-to-get parts.

Department Heads may authorize purchase of necessary items, if, to the best of their knowledge, the account to be charged has a sufficient unencumbered balance for the amount of the purchase. Emergency orders are very costly; they are made hurriedly, usually on a non-competitive basis; and they may not be made at the best prices available. Every effort should be made to keep purchases of this type to an absolute minimum.

Purchasing Cards

P-Card holders are asked to use their P-cards for emergency situations. P-Card holders are asked to only use the exception process if the emergency purchase exceeds their daily or monthly spending limit.

9. ACCOUNTS PAYABLE AND EXPENDITURES

I.1. Accounts Payable and Disbursement

I.1.a. Receipt of Goods and Services

Schools and Departments receive items that have been approved through the purchasing policy. Goods or services are delivered directly to the requesting School or Department. Confirmation and verification of the receipt of goods or services is the responsibility of each respective School/Department.

I.1.b. Vendor Invoices

Invoices for all goods and services are mailed directly to the Finance Department or Business Office. In the event an invoice is sent directly to a School or Department, the original invoice must be forwarded to the Finance Department or Business Office as soon as possible for processing.

I.1.c. Recording Invoices

The Accounts Payable department is responsible for matching invoices, purchase orders and receivers (FMS Three-Way Match) and entering them in the FMS. It is Accounts Payable's responsibility to identify any discrepancies with purchase order information and alert the Controller or Director of Business & Operations immediately. In the event a purchase order match cannot be found, the invoice is sent to the recipient School or Department to be verified. If the goods or services have been received and the invoice information is correct, the Accounts Payable must create a purchase request using the information provided on the invoice. The purchase request must then be processed according to standard procedures. The invoice will not be paid until the confirmation receipt has been entered in the system.

I.1.d. Check Processing

Checks to vendors are automatically signed and printed out of the FMS. Accounts Payable is responsible for reviewing the batch of checks and matching them against the corresponding purchase orders and invoices. Each invoice reviewed by the Accounts Payable clerk requires his/her signature and date to signify completion of the review process. Any discrepancies are brought to the immediate attention of the Controller or Director of Business & Operations. If no discrepancies are found, Accounts Payable signs and dates the batch and processes accordingly.

I.2. Expenditure Reviews

The Controller and Department Heads, as well as the Director of Business & Operations and Department Heads and Principals, are responsible for scheduling expenditure meetings at the end of each quarter. At these meetings, they will discuss expenditure levels to-date and communicate ways to keep departments and schools from spending over budget. The Controller and Director of Business & Operations will also train Department Heads and Principals how to look for fraudulent spending.

I.3. Adding a Vendor to File

The Controller, Director of Business & Operations, Accounting Supervisors and Accounts Payable Clerks are the only employees with the ability to add new vendors to the FMS vendor file. To request a new vendor be added, the process is as follows:

1. Department or School Completes Request Form:
Brookfield Departments and Schools are required to complete the standardized “Request for New Vendor Setup” form, including vendor name, address, reason for request and a copy of the vendor’s W-9. The Department Head or Principal must review and sign the form before it is forwarded to the Finance Department or Business Office.
2. Accounting Supervisor Approves Request Form:
Upon approval by the Department Head or Principal, the form, and associated documentation, are scanned and emailed to the Finance Department or Business Office Accounting Supervisor. The Accounting Supervisor reviews and signs the form and forwards the information to Accounts Payable.
3. Accounts Payable Adds the New Vendor
Accounts Payable receives the approved request form and adds the new vendor to the FMS vendor file. Following the addition, the Accounting Supervisor notifies the original requestor that the vendor has been approved and added to file.

I.3.a. Vendor File Review

It is the responsibility of the Finance Department and Business Office to review the vendor files for outdated or non-usable vendors on an annual basis. Accounts Payable, for the Town and School District, should select a random sample of vendors on file and review their information and purchase history. Any concerns should be brought to the immediate attention of the Controller or Director of Business & Operations. Vendors no longer used by either entity should be removed from the vendor file. The final review should be reviewed and approved by the Controller and Director of Business & Operations. Vendors sampled in previous years should be excluded from review in future reviews.

10. PAYROLL

J.1. Payroll and Personnel/Human Resources

The Human Resources module in the FMS includes all employee related information, such as employee demographics, work history, salary history, etc. Once an employee record has been entered into the FMS, the employee record in the Payroll module is updated with appropriate deductions, withholdings, etc. The Town and School District are responsible for documenting their individual procedures for adding and removing employees to the payroll system.

J.1.a. New Hires

Human Resources is responsible for ensuring all appropriate forms are given to and/or signed by the new employee. A documented New Hire Checklist should be completed and stored in their personnel file as part of this process. Human Resources is also responsible for configuring the Employee Self-Service (ESS) record (pay, withholdings, etc.) in FMS for that new hire. Human Resources must notify Payroll of any new employee that will be included in payroll runs and also notify the appropriate Accounting Supervisor if they need access to the FMS.

J.1.b. Employee Changes

Any change to an employee's information is made using a Personnel Action Form in the FMS. Human Resources is responsible for notifying Payroll of a change to employee pay by using the Personnel Action Form. All changes to an employee's record will be tracked in the FMS system.

J.1.c. Employee Terminations

In the case of an immediate termination, the First Selectman, Superintendent, Department Head or Principal must notify Human Resources as soon as possible. Human Resources must notify IT and the appropriate Accounting Supervisor as soon as possible to remove the former employee's access rights to the FMS. Human Resources is responsible for maintaining all termination correspondence (Exit Interview Checklist, emails, resignation letters, etc.) and storing it in the former employee's personnel file. Human Resources must also notify Payroll that the terminated employee will no longer be included in payroll runs.

J.1.d. Employee Personnel Files

Employee personnel files are maintained by Human Resources. All human resources information, such as I9, health insurance, life insurance, contract, and payroll information, such as W-2s, pension, union dues, direct deposit, are filed in the employee's file. Human Resources must communicate with the Finance Department and Business Office staff in charge of managing benefits in order to reconcile health and life

insurance information for Town and School District employees. New Hire Checklists, Exit Interview Checklists, termination correspondence and any signed policies and procedures are also maintained in the personnel files. Any medical information about the employee, however, needs to be filed separately.

J.2. Time Records and Payroll Preparation

J.2.a. Timekeeping

Time entry is decentralized and handled by each employee individually. Employees enter their time into the online FMS system. Department Heads or Principals at the Town or and Schools respectively, must review and approve the time. Due to short employment terms and high turnover in the Parks and Recreation Department, non-salaried, seasonal employees in Parks and Recreation must submit paper timesheets and still follow the same approval process as electronic timesheets. The timesheets are then made available to the Payroll Administrator for further review and processing. Hourly employees are paid according to their hours worked – hourly pay is not annualized.

1. Payroll Administrator Reviews Time Entry Submission

The FMS timesheets and Parks and Recreation paper timesheets submitted to Payroll are reviewed by the Payroll Administrator to confirm information/pay codes are correct and appropriate approvals are in place. Accruals are noted and changes to deductions are validated against Payroll Change Forms provided by Human Resources.

2. Additional Review

The Payroll Administrator is responsible for a secondary review after the timesheets are submitted and reviewed the first time. Payroll is run and the payroll register is printed out of the FMS and compared to the original online timesheets and hardcopy (Parks and Recreation) timesheets. The Payroll Administrator signs and dates the review once completed.

3. Payroll Distribution

The Payroll Administrator completes the general ledger template, which outlines wages by fund for the given pay period, and provides it to the Controller. Once approved by the Controller, the direct deposit file is uploaded to the bank. Checks are printed and employees are paid.

J.2.b. Payroll Adjustments

Human Resources is responsible for managing employee changes in the payroll system. All adjustments require completion of Personnel Action Form in the FMS system. HR must notify Payroll of the change through the use of a Personnel Action Form. All changes entered go into effect as of the next payroll time period.

J.3. Severance, Vacation and Sick Time

Human Resources is responsible for recording severance, vacation and sick time in the FMS as designated by employee contract. Accruals will be automatically calculated by the FMS system once properly entered by Human Resources. At the beginning of the fiscal year, Human Resources runs a report for all vacation time and reviews it to ensure employees are being allotted the correct amount of time. Once completed, the HR Director signs and dates the report and files it. Human Resources is also responsible for calculating severance pay. Once completed, the calculations are reviewed and signed by the HR Director and entered into the FMS. The Payroll Administrator should perform a secondary review of severance pay for accuracy before it is uploaded to the FMS.

J.4. Accrued Benefits/Retirement Policies

Human Resources is responsible for tracking retirees and working with the employees that manage benefits to ensure the proper pay and benefits are provided.

J.5. Stipends

J.5.a. Stipend Positions

There are nine (9) classifications of stipend positions in the Brookfield School District. Each classification represents a different compensation level. On an annual basis, for each stipend position, it is the responsibility of the Business Office, Assistant Superintendent and Principals to review the roles and responsibilities of the stipend position, who maintains the stipend position and what classification the stipend position holds.

If the applicable Principal, the Assistant Superintendent and the Director of Business & Operations agree a stipend position requires modification to position owner, classification, or roles and responsibilities of the position, they will make the change request to the Superintendent, who will make the final approval for modifications to stipends. All changes to stipend positions must be documented.

J.5.b. Stipend Tracking

It is the responsibility of the stipend recipient to provide a weekly report of their stipend-related work activity to the supervising Principal. The weekly report should provide the number of hours allocated to the stipend position, the work completed in those hours, and any other evidence of stipend work completed. Principals review and approve the reports and they are sent to the Assistant Superintendent for further review and approval. If weekly reports are inadequate or not provided, the Principal and the Assistant Superintendent have the authority to remove that employee from the stipend position.

J.5.c. Awarding Stipends

Principals are responsible for awarding stipends to School District staff. When a Principal makes a selection, he/she must provide detailed reasoning to the Assistant Superintendent as to why the employee was selected and how he/she is qualified for the stipend. The Assistant Superintendent has authority to approve or reject an awarded stipend. Stipends are to be awarded to School District employees only.

J.6. Contract Administration

It is the responsibility of Human Resources and Payroll to maintain and understand all Town and School District employee contracts. The Payroll Administrator is responsible for validating employee pay against what individual contracts indicate. If questions or concerns arise, they should be brought to the immediate attention of Human Resources for resolution. On a bi-annual basis, Human Resources and Payroll will review all new employee contracts and ensure their pay is accurately reflected in the FMS system. Any discrepancies must be brought to the immediate attention of the Controller and Director of Business & Operations.

J.7. Interim Payroll Processing (BOE Only)

Prior to the implementation of the MUNIS financial management system, Brookfield Public Schools will introduce interim procedures to ensure that hourly employees are compensated for their hours worked only. The Brookfield Public Schools Business Office will discontinue the practice of annualizing hourly employees' compensation upon the acceptance of this policies and procedures manual.

Employee hours and extra pay will still be captured using the pink and yellow timesheets. It is also still the responsibility of assigned Secretaries to fill-in the correct hour codes on the timesheets. Two (2) managerial level signatures are required on all timesheets – it is up to Principals and Department Heads to determine the second signee for their employees. Once the timesheets are reviewed and approved, it is the responsibility of the Payroll Coordinator to compensate hourly employees for their actual hours worked only.

J.7.a. Accounting for Annual vs. Actual

Procedures need to be in place to accommodate the differences in annualized versus actual compensation. At the end of the fiscal year, for each hourly employee, the Payroll Coordinator will calculate total hours worked multiplied by their applicable hourly rate(s). The Payroll Coordinator will then calculate the amount each employee was actually paid for the fiscal year (a combination of the former annualized procedures and the interim hourly procedures). If an hourly employee was paid more than what their hours worked indicates they should have been paid, some form of payroll reduction needs to occur. If the opposite happens, and an employee was paid less than what their hours worked indicated they should be paid, some form of extra payment to the employee to reconcile their payroll. The Director of Business & Operations is responsible for deciding how to implement reductions and/or extra payments on a case-by-case basis. Reductions and extra payments can be in the form of one-time transactions or

extended/incremental installments. These adjustments need to be communicated to the corresponding employees.

J.7.b. Deductions

All deductions need to be spread equally across an employee's number of paychecks. It is the responsibility of the Payroll Coordinator to calculate total annual deductions for an employee and divide it equally over the number of paychecks. This applies to employees with both 26 and 21 paychecks.

11. BENEFITS ADMINISTRATION

The Benefits Administrator is responsible for managing employee benefits for the Town and School District of Brookfield. For the sake of the outlined procedures, if the employee responsible for managing benefits for the Town and/or School District is not a true Benefits Administrator, and also maintains a different role with Brookfield, he/she will be referred to as the “Benefits Administrator” throughout this section.

K.1. Adding Beneficiaries

Human Resources and the Benefits Administrator are jointly responsible for adding new beneficiaries. When a new employee is hired, Human Resources will forward him/her to the Benefits Administrator to discuss coverage options and other benefits-related information. The Benefits Administrator is required to provide a full briefing to that new hire regarding health and life insurance, workers compensation, FMLA, HSAs, FSAs, and if applicable, TRBs. If the new hire wishes to enroll, the Benefits Administrator will provide him/her with the appropriate forms and actively work with the insurance companies to enroll that person. When necessary, the Benefits Administrator will coordinate activities with Stirling & Stirling. Any documentation that is completed by the new hire, or the Benefits Administrator, related to the enrollment, must be copied and provided to Human Resources for storage in the new hire’s personnel file. All benefits related documentation must be retained in an employee’s personnel file. Once the enrollment is complete, the Benefits Administrator is responsible for relaying that information to Human Resources so that they can make the appropriate deduction and accrual adjustments for that employee in MUNIS. Human Resources will notify Payroll of these changes as well.

K.2. Benefit Adjustments

If an employee wishes to adjust their benefits plan, he/she will schedule a meeting with the Benefits Administrator. At this meeting, the Benefits Administrator will provide the appropriate documentation to the employee and coordinate all changes with the insurance companies, and if needed, Stirling & Stirling. Any documentation that is completed by the employee, or the Benefits Administrator, related to the change in benefits, must be copied and provided to Human Resources for storage in the employee’s personnel file. Once the change is complete, the Benefits Administrator is responsible for relaying that information to Human Resources so that they can make the appropriate deduction and accrual adjustments for that employee in MUNIS. Human Resources will notify Payroll of these changes as well.

K.3. Removing Beneficiaries/Terminated Employees

It is the responsibility of Department Heads and Principals to notify Human Resources and the Benefits Administrator of an employee termination or retiree as soon as possible. It is then the responsibility of the Benefits Administrator to properly remove or transfer the former employee from existing benefits plans at the appropriate time. If needed, COBRA paperwork will be

provided and processed. Full coordination with the insurance companies and Stirling & Stirling is required. If the former employee is retiring, the Benefits Administrator is responsible for managing the transition and educating the retiree on his/her on-going benefits. If necessary, any documentation that is completed by the employee, or the Benefits Administrator, related to the change in benefits, must be copied and provided to Human Resources for storage in the employee's personnel file. Human Resources will freeze the employee's account in MUNIS and relay the appropriate information to Payroll.

K.4. Worker's Compensation and FMLA

The Benefits Administrator is responsible for managing worker's compensation claims and employees going on FMLA. He/she is responsible for gathering information from the employee, filing the appropriate paperwork, making copies for the employee's personnel file, overseeing the benefit timeline, and coordinating the changes in compensation with HR and Payroll. Human Resources is responsible for making the applicable changes to MUNIS and then relaying that information to Payroll. If an employee comes off of worker's compensation or FMLA, the Benefits Administrator is responsible for completing the aforementioned activities, as well as notifying HR and Payroll in a timely manner so that they have sufficient time to make necessary adjustments.

K.5. Internal Benefits Audit

On an annual basis, the Benefits Administrator and Human Resources are responsible for completing an internal benefits audit. This includes reviewing all individuals that receive benefits from Brookfield's various plans and ensuring that the recipients are appropriate. The Benefits Administrator and Human Resources will review employee personnel files and ensure that the benefits documentation matches the actual plans that active and former employees receive. Any active, former or deceased employees that are not appropriate must be removed from the plan immediately. These discrepancies must be brought to the attention of the Controller or Director of Business & Operations.

11. FINANCIAL REPORTING

L.1. Closing Procedures

L.1.a. Monthly Close

Journal entries are reconciled against bank statements on a monthly basis and are reviewed and signed off by the Accounting Supervisor and Controller or Director of Business & Operations. the FMS expenditure/revenue data and month-end tax collection batch data are reconciled and used to report finance results to the Board of Selectman and Board of Finance. Tax revenues and tax collector reports are reconciled with bank statements. Federal, State and Miscellaneous Revenue are reconciled with bank statements as well.

All monthly closing procedures are performed. The Accounting Supervisor prepares a detailed fund review by reconciling asset and liability accounts and also by reviewing revenue and expenditure detail for each account. This is then further reviewed by the Controller or Director of Business & Operations. An aged purchase order review is performed as well. The monthly financial statements are prepared by the Accounting Supervisor and then reviewed by the Controller or Director of Business & Operations.

L.1.c. Year-End Close

All final monthly closing procedures are performed. All receivables, payables, deferred revenues, year-end journal entries, fixed assets and depreciation are recorded. Allowance account balances are reviewed and encumbrances (if required) are rolled over to the next year. All closing entries are posted after the financial audit and fund balances are closed out.

L.1.d. Accounting Period Close

1. Cash/Investments

Bank reconciliations are performed by the Accounting Supervisor and reviewed by the Controller or Director of Business & Operations.

2. Accounts Receivable

The Accounting Supervisor reviews all July deposits to ensure funds are recorded in the appropriate year. The Tax Collector reviews all billing activity and collections and provides a listing of receivables to the Accounting Supervisor to review and record the journal entry. The Controller reviews the journal entry.

3. Inventory

The Accounting Supervisor records and analyzes reports of sales and purchases. MUNIS inventory counts are compared to physical inventory on a monthly basis by Departments – the Inventory Manager oversees this process.

4. Fixed Assets

On a quarterly and year-end basis, the Controller reviews all expenditure activity for the year to record all expenditures as fixed assets. Fixed assets are recorded into the Fixed Assets module and depreciation schedules are prepared. Physical inventory is reviewed on a bi-annual basis and Department Heads and Principals will notify the Controller of any fixed asset disposals.

5. Accounts Payable

The final check run for the current fiscal year is performed in the middle of the next month of the next fiscal year. Any check runs after the year-end check run are reviewed for prior year invoices. If any invoices are found to belong to the final year, Accounts Payable provides them to the Accounting Supervisor to record an appropriate journal entry. Open purchase orders are reconciled and all purchase orders are reviewed with Department Heads and Principals to determine the accuracy of the information.

6. Deferred Revenue

The Tax Collector provides deferred revenue information to the Accounting Supervisor for review and recording.

7. Revenues and Expenditures

Revenue and expenditure detail for each account is reviewed to correct any posting errors and investigate unusual results. For departments with their own systems (ex: Town Clerk – Cott Systems), revenues are reconciled against what is recorded in MUNIS on monthly basis. For departments that do not track revenue, their funds are analyzed based on their budget. All budgeted funds are compared based on budgeted and actual balances. Non-budgeted funds are compared based on current year and prior year results. Any unusual results are investigated with Department Heads and Principals.

12. GRANT MANAGEMENT

M.1. Requests

1. Grant Applicants Notify Finance Department or Business Office

Grant applicants must contact the Finance Department or Business Office prior to applying for a grant. The applicant is required to provide the appropriate Accounting Supervisor with detailed information regarding the prospective grant, including a detailed reason for pursuing the grant, what the grant will be used for, who the grant provider is and what the grant spending requirements/restrictions are.

2. Cost-Benefit Analysis

The Accounting Supervisor is responsible for conducting a cost-benefit analysis to ensure that applying for and managing a given grant does not yield negative gains. The Controller or Director of Business & Operations has the authority to reject any grants that provide fewer funds than it costs to monitor, process, and apply for the grant. School District grants must be approved by the Board of Education.

3. Grant Award Letter

If the applicant is approved and awarded grant funds, a copy of the applicable award letter must be submitted to and maintained by the Finance Department or Business Office for tracking purposes.

M.2. Monitoring and Administration

The Finance Department and Business Office are responsible for monitoring and tracking all grant activity in the FMS system. Grant funds are to be tracked separately using the Project & Grant Accounting module. Grant funding should not be pooled in a single grant fund, but instead each individual grant tracked independently of one another. The various Grant Administrators (Department Heads, etc.) are responsible for tracking grant activity so that it can be reconciled with the information in the FMS on a quarterly basis. Grant Administrators and an assigned member of the Finance Department or Business Office will meet on a quarterly basis to perform the reconciliation and discuss the expenditures and budgeted items. Grant Administrators are responsible for ensuring all expenditures meet grant requirements. It is up to the discretion of the Controller and/or Director of Business & Operations to revoke administrative rights in the case the current administrator is incapable of properly managing a grant.

M.3. Special Education

In order to receive the necessary grant funding from the State of Connecticut, special education student excess costs must be properly tracked and reported. It is the responsibility of Special Education Department Chairs to maintain an Excel spreadsheet of excess costs for each Special Education student. The spreadsheet will track all excess costs activities as part of the student's

IED, the cost of each activity and the associated invoice numbers. This information must be stored in a secure location within the network. The Special Education Department Chairs need to provide this information to the Special Education Secretary on a monthly basis. The Special Education Secretary will compile the excess cost information in a master spreadsheet and reconcile it against IEP Direct on a monthly basis as well.

In order to receive IDEA grant funding from the State of Connecticut, paraprofessional and other employee hours must be properly tracked and reported. The Special Education Secretary obtains this information from IED Direct using the system's "hour grid". It is the responsibility of the Special Education Department Chairs to track any compensatory time and notify the Special Education Secretary of these situations and provide the necessary information.

The Special Education Secretary is responsible for completing and submitting grant applications. The Director of Special Education must review and approve each application prior to submission.

13. CAPITAL ASSETS

N.1. Capital Asset Policies

N.1.a. Accounting Methodology

The Town and School District must accurately record and account for capital assets on a regular basis. Because the Town engages in the acquisition, transfer, disposal, and use of capital equipment, this policy sets forth the roles and responsibilities in regard to capital assets. One reason capital assets are recorded and capitalized is to properly depreciate their value over time, thus reflecting their cost during the useful life of the asset and not only on the date of acquisition. An item valued at less than the capitalization threshold is not depreciated. It is fully written off as an expense at the time of acquisition and not added to the capitalization inventory.

Another reason capital assets are recorded and capitalized is to protect the assets from misuse and misappropriation. The FMS Fixed Asset module will compile a list of all capital assets, replete with a description of the asset, value and location. The Controller and Director of Business & Operations maintain the physical and reporting control of the Town's and School District's capital assets. The major responsibilities each party has in connection with the Capital Assets Policy & Procedures are as follows:

All Departments and Schools:

- Report to the Finance Department or Business Office the addition, transfer, loss or destruction of fixed assets within one (1) day of discovery
- Review the annual listing of property inventory prepared and distributed by the Finance Department and Business Office on a timely basis, explaining and pursuing the resolution of all discrepancies identified in the property inventory
- Safeguard all property in the custody of the department/school

Finance Department and Business Office:

- Record all changes to assets on the Fixed Asset module and in the general ledger
- Review and approve all Construction in Progress activity on an annual basis
- Review "book current depreciation" as part of the annual review of the fixed asset reports
- Prepare an annual listing of recorded property and distribute it to individual departments/schools for verifications and certification purposes by Q4 of the current fiscal year
- Conduct a periodic physical inventory of property (including affixing inventory tags) in coordination with departments/schools

N.1.b. Asset Classifications

To be classified as a fixed asset, a property acquisition must meet the following criteria:

1. Be of tangible nature
2. Have a useful life of at least two (2) years
3. Have significant value:
 - a. Equipment

Item	Town/Board General funds
Computer Equipment Capitalization	>\$5,000
Computer Equipment Accountable	\$1,000-\$5,000
Non Computer Equipment Capitalization	>\$5,000
Non Computer Equipment Accountable	\$2,500-\$5,000

- b. Buildings, building improvements, or improvements other than buildings, must have an acquisition cost of at least \$20,000
- c. Infrastructure (i.e. roads, bridges, curbs, drains, etc.) must have an acquisitions cost of at least \$100,000

N.1.c. Addition of Capital Assets

Capital asset acquisitions are entered into the FMS at year end or as they are purchased. The Accounting Supervisors are responsible for recording all fixed assets and the Controller or Director of Business & Operations review the entries. The Controller and Director of Business & Operations have the authority to approve the acceptance of capital assets.

N.1.d. Disposal of Capital Assets

Department Heads and Schools must notify the Finance Department or Business Office within one (1) day of any capital asset disposal. An approved Fixed Asset Disposal form is required for the disposal of a capital asset. The First Selectman or Superintendent must sign the form respectively.

N.1.e. Transfer of Capital Assets

Department Heads and Schools must notify the Finance Department or Business Office within one (1) day of any capital asset transfer. A completed Fixed Asset Transfer form is required for the transfer of a capital asset.

N.2. Capital Projects

It is the responsibility of the Controller to track and manage all capital projects between the Town and School District. The Controller uses the Project Accounting module in MUNIS so that projects can be properly budgeted for over multiple years. For capital projects that directly impact the School District budget, the Controller will provide annual updates of the project's accounting to the Director of Business & Operations.

14. STUDENT ACTIVITY FUND ACCOUNT

The Athletic Director is responsible for managing all student athletic activities between the High School and Middle School. The Student Activity Fund provides funding for these activities. At the beginning of each year, the Business Office provides the Athletic Director with budgeted line items for the Student Activity Fund and the Actual Athletics Budget. The Student Activity Fund System (Harris system) is used to manage and track the Student Activity Fund budget and transactions. Only the Business Office Accounts Payable Clerk is authorized to cut checks on behalf of the account and the Director of Business & Operations is required to sign off on all checks. The following procedures must be followed for the Student Activity Fund account:

O.1. The Purpose of the Student Activity fund

CT General Statute 10-237 provides for Boards of Education to establish and maintain Student Activity funds which are used for the educational benefit of currently enrolled students. These funds are held on behalf of the students, and should be used to promote the general welfare, education and morale of all students and to finance the reasonable, co-curricular and school activities of the student body. Student Activity funds are to be used in ways that complement but do not conflict with instructional programs, that supplement but do not take the place of programs or services which should be funded through the regular District operating/capital budgets.

O.2. Student Activity Fund and District Operating Budget differentiation

Student Activity funds are used to support authorized extracurricular and school activities, including but not limited to the costs associated with team sports, clubs, assemblies, honor societies, speakers, field trips, scholarships, class accounts and student governments. Projects for the raising of student activity money shall contribute to the educational or athletic experience of the students and shall add to, but not be in conflict with the instructional/athletic program. In general, student activity monies shall be expended in ways that benefit those students who have contributed to the accumulation of the money.

Expenses that are standard to every day curricular and athletic operations (e.g. instructional supplies, transportation, coach/referee pay, equipment repairs, etc.) shall not be expensed out of the Student Activity fund and should be applied to the District's Operating budget. Student Activity funds may also not be used for any purpose that represents an accommodation to an individual or donor, a loan or credit, for staff activities, or for a capital improvement without Board of Education approval.

O.3. Appropriate sources of Student Activity funds

Student Activity funds may come from one or more of the following sources:

1. Fees charged for a program or product (e.g. field trips, team/club dinner, school or team apparel, AP testing, etc.)
2. Student/staff fundraising for a specific student program or activity (e.g. carwash, bake sale, etc.)
3. Dues for membership for an approved school club
4. Cash/gift donations directly received from a student curricular or athletic activity

O.4. In-Appropriate Revenue Sources of Student Activity funds

Monies that individuals and/or parent groups collect and disburse should not be included in the Student Activity fund. Outside groups that raise funds for the benefit of students, such as the PTO and other organizations, must operate independently of the District - they are unauthorized from processing financial transactions using the Student Activity fund or the District's Operating budget. If any of these outside people/organizations/groups wish to sponsor student events, (e.g. graduation parties, or purchase apparel/supplies/equipment for Brookfield students), they must operate a separate bank account and manage the funds independently of the School District. These groups are encouraged to coordinate activities with School District employees; however the management of funds must remain separate.

O.5. Receipts

1. Collection Of Receipts

Only High School activities collect money through student events. Two (2) High School employees are responsible for collecting money raised from the activities. The Ticket Form is filled out to indicate how many people attended the event and it is signed by the two (2) employees – the Athletic Director is required to disclose who these employees are to the Business Office on an annual basis.

The collected money is counted and then summarized using the Deposit Form. The form indicates the total funds collected and for what reasons. The money is then sealed in an envelope with the Deposit Form and Ticket form and sent to the Athletic Director. The Athletic Director reconciles the money collected with the two (2) forms and signs off. The money and forms are then sent to the High School Secretary for another reconciliation and sign-off. Once approved, the forms are sent to the Business Office Accounts Payable Clerk for processing in the Student Activity Fund system within two (2) business days of an event. The High School Secretary and Principal are then responsible for depositing the money at the bank.

2. Recordkeeping

It is the responsibility of the Athletic Director to keep detailed records of Student Activity Fund account activity.

The Accounts Payable Clerk is responsible for entering receipts into the Harris Accounting system after receiving an Activity Collection Form. On a monthly basis, the Athletic Director

is responsible for sending his/her account ledger to the Business Office for a formal reconciliation against the Harris Accounting System and the account's bank statement. The Accounts Payable Clerk completes the reconciliation and signs, dates and files the document. The Director of Business & Operations reviews and approves the reconciliation. The reconciliation for the account MUST be completed by the Business Office in addition to the Athletic Director's internal review.

O.6. Disbursements

1. General Disbursements

The disbursement of activity funds must be clearly documented by the Athletic Director in his/her account ledger. All checks drawn must have a signature from an assigned approver. Under no circumstances will checks be distributed without an approval signature. Additionally, checks must be written to a specific party – the “pay to the order” line cannot be left blank.

2. Disbursement Requests

An Activity Account Disbursement Form must be completed by approved employees only. “Team Moms” are forbidden from completing disbursement forms on behalf of a Brookfield Coach. The form must be reviewed and signed by the Athletic Director and Principal before it can be processed for payment. The form must clearly outline how much money is needed for disbursement, the payable party and for what reason(s) the disbursement is required. Once completed, the form is sent to the Business Office for signed approval by the Director of Business & Operations and Superintendent, and for processing by the Accounts Payable Clerk. Under no circumstance, will coaches or other approved employees, place orders with the intent to use Student Activity Fund dollars, without first gaining the proper approvals through the disbursement request process.

3. Disbursement Processing

The Accounts Payable Clerk reviews the completed Activity Account Disbursement Form and enters the information into the Harris Accounting System. A purchase order is completed and sent to the appropriate vendor. Invoices should be sent directly to the Business Office. Checks are cut, signed by the Director of Business & Operations, and sent to vendors upon receipt of vendor invoices. On a monthly basis, the Accounts Payable Clerk is responsible for reconciling all Activity Account Disbursement Forms with corresponding purchase orders, invoices, and the Harris Accounting System.

4. Recordkeeping

It is the responsibility of the Athletic Director to keep detailed records of Student Activity Fund account activity. The Athletic Director should maintain a separate ledger of account activity that can be reconciled against what gets recorded in the Harris Accounting system. The account activity must be updated after every disbursement.

The Accounts Payable Clerk is responsible for entering disbursements into the Harris Accounting system after receiving an Activity Account Disbursement Form. On a monthly basis, the Athletic Director is responsible for sending his/her account ledger to the Business

Office for a formal reconciliation against the Harris Accounting System and the account's bank statement. The Accounts Payable Clerk completes the reconciliation and signs, dates and files it. The Director of Business & Operations reviews and approves the reconciliation. The reconciliation for the account must be completed by the Business Office in addition to the Athletic Director's internal review.

O.7. Reporting and Reconciliation

The Athletic Director is required track fund activity (receipts and disbursements) in a detailed spreadsheet. The High School Principal must review, initial and date the spreadsheet before sending it to the Business Office for further reconciliation. The monthly reconciliation performed by the Accounts Payable Clerk must be reviewed and approved by the Director of Business & Operations. Under no circumstances are separate Student Activity Fund accounts to exist at the High School or Middle School that are not overseen by the Business Office.

O.8. Referee Management

Referee compensation is managed using Payment Forms and the Arbiter system. Before each game, Coaches are required to provide referees with a Payment Form. The form indicates referee identity and the game they are assigned to. Referees complete the form and the coaches are responsible for handing them over to the Athletic Director. The Athletic Director reviews and approves each form.

The Arbiter system is used to track which referees were assigned to games and what their compensation for the game is. On a weekly basis, the Athletics Secretary is required to reconcile all Payment Forms against the Arbiter system. The Athletics Secretary runs a report that provides which referees were paid, how much they were paid and the games that they worked. The reconciliation is then reviewed, approved and filed by the Athletic Director. Any discrepancies found by the Athletics Secretary should be brought to the immediate attention of the Athletic Director. If payment information is incorrect, the Athletic Director contacts the Arbiter Hotline to mitigate any errors and will note the change as part of the final reconciliation. If Arbiter cannot resolve the issue, the Athletic Director must contact the Director of Business & Operations for further problem resolution.

All Referees need to sign an agreement that requires them to create an Arbiter account. The agreement indicates non-payment until an Arbiter account is created. Under no circumstances will the Brookfield School District compensate a Referee that has not created an associated Arbiter account.

O.9. Budget Training and Review

At the beginning of the fiscal year, the Director of Business & Operations and Athletic Director will meet and review the Student Activity Fund budget and the Actual Athletics Budget. The purpose of this exercise is for the Director of Business & Operations to provide guidance on how

the budgets should be managed and what each budgeted line item represents. It is important that the Athletics Director understands which disbursements and receipts are credited to the Student Activity Fund as opposed to the Actual Athletics Budget. Each budgeted line item should have a clear description that indicates what expenses it covers and what revenues should be attributed to it. The Director of Business & Operations and Athletic Director will also discuss if the Student Activity Fund chart of accounts requires revision. It is important that the chart of accounts is configured for optimal transparency and efficiency.

15. EXPENSE REIMBURSEMENTS

P.1. General Reimbursements

Town and School District employees are eligible for reimbursement for a number of different expenses, including travel (mileage, lodging, parking, etc.), meals, memberships, supplies, uniforms and more. All Town and School District employees must have advanced approval from their Department Heads to be eligible for a reimbursement. This approval must be in the form of an email or physical document – verbal approval alone does not suffice. Employees must submit the Expense Report form and all supporting documentation (original receipts only!) for reimbursement directly to their Department Heads for review and signed and dated approval. The Expense Report and supporting documentation are then submitted to the Finance Department or Business Office for further review and approval. Reimbursements are then processed through Accounts Payable, with the supporting documentation maintained by the Finance Department or Business Office for recordkeeping purposes. Purchase orders are created to reimburse employees.

Under no circumstances, is a Brookfield employee, allowed to approve their own expense reimbursements without Finance Department or Business Office review and approval.

P.2.a. Restricted Reimbursements

Town and School District employees are prohibited from making departmental purchases using their own money. Therefore, employees will not receive reimbursement for these types of purchases. Only pre-approved and qualified purchases are eligible for reimbursement.

P.2. Travel Reimbursements

All travel reimbursements (conferences, meetings or travel on Town or School District business) should be submitted for approval using the Expense Report Form. Please refer to the reimbursement procedures outlined in section P.1.

Conference/Seminar fees are reimbursable up to \$100.00 per event unless written approval is obtained from the First Selectman (for Town employees) or Superintendent (for School District employee) for larger reimbursements.

While attending outside seminars that require overnight stays and if meals are not included with the seminar fee, meals are reimbursable up to the following amounts:

- Breakfast – \$10.00 per day
- Lunch - \$15.00 per day
- Dinner - \$25.00 per day

Alcoholic beverages are not reimbursable

P.3. Mileage Reimbursements

- ❖ All mileage reimbursements should be submitted for approval using the Expense Report Form. Please refer to the reimbursement procedures outlined in section P.1. Mileage is reimbursed at a rate of \$0.54 per mile and is based on the IRS Federal rate standard. As such, this rate is subject to change. To determine the reimbursable mileage, detail the total commuting miles minus your normal commute to your standard working office (e.g., 50 miles roundtrip – 25 miles normal commute = 25 miles to be reimbursed).

P.4. Gas Usage Review

It is the responsibility of the Finance Department to review all departments' gas usage on a quarterly basis. An employee from the Finance Department can run reports using the Public Works fleet management software and review each department's/employee's, gas usage. This will provide valuable insights into departmental use of Brookfield gasoline and help to determine if all usage is appropriate/required. The Business Office is responsible for performing the same review on all Schools and School District departments using the Town's gasoline.