



ACCOUNTING AND FINANCE OPERATIONS DOCUMENT

Finance Department Policies and Procedures Manual

Town of Mansfield

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1. INTRODUCTION

The procedures outlined on the following pages reflect the current tasks and transactions necessary to process and complete any and all financially related transactions performed by the Town of Mansfield. This includes but not limited to the following entities: Town of Mansfield, Mansfield School District, Region 19, Eastern Highlands Health District, Downtown Partnership and Discovery Depot.

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 Finance Director, and, if necessary, the Town Manager/Superintendent/EHHD Director.

The Town of Mansfield’s Finance Department is responsible for maintaining the accuracy and consistency of these procedures. If changes are requested for any of the stated policies/procedures, they need to be reviewed and approved by the Town of Mansfield’s Finance Department.

A.1. Definitions

Outlined below are definitions of key terms used within this document.

- Terminations –A person that is fired from an entity
- Separations - A person that is laid-off, resigns or retires from an entity
- Severance Payment - refers only to when a person is laid-off. When someone is terminated or separated from service Mansfield does not refer to their final payment as severance

A.2. Distribution List for Finance Department Policies and Procedures

• Town Manager’s Office	• Superintendent’s Office
• Town Council	• Board of Education
• Finance Committee	• Eastern Highland Health District
• Downtown Partnership	• Discovery Depot

A.3. Financial Management System (FMS)

The Town of Mansfield implemented ADMINS Unified Community (AUC) during the year 1997. This software is an integrated Financial Management System (FMS) software solution exclusive to local governments and School Districts. The following modules were purchased:

- General Ledger
- Accounts Payable

- Budgeting
- Payroll
- Human Resources

Aside from AUC, the Tax Collector's Office and Tax Assessor's office use Quality Data Service (QDS) and a Computer Assisted Mass Appraisal system (CAMA), Vision System. 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 FMS 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

The Finance Director, Accounting Manager, Budget Analyst and Accountant are the only individuals with responsibility and capability to enter and post journal entries in the General Ledger. The Accountant's journal entries must be reviewed and approved by the Accounting Manager. The Accounting Manager's and Budget Analyst's journal entries must be reviewed and approved by the Finance Director. All approvals must be confirmed via email and archived in Journal Entry labeled folders within the Finance Section of the FMS.

B.3. Bank Transfers

The Finance Director (Backup), Accounting Manager (Primary), Accountant (Secondary) and Budget Analyst (Secondary) are restricted from releasing their own bank transfers for security purposes. If one of the aforementioned employees wants to make a bank transfer, one of the other four employees must make a secondary approval after the transaction is initiated. The transaction is restricted from full processing until the secondary secure token approval is made.

3. FINANCIAL MANAGEMENT SYSTEM (FMS) ADMINISTRATION

ADMINS Inc. is the software development company that created and maintains ADMINS Unified Community. ADMINS is based in Cambridge, Massachusetts, and has been providing municipal and local government software solutions to the Northeast since 1974 (hereinafter referred to as FMS). The FMS is hosted on a Windows 2008 server and uses a Microsoft Windows environment.

C.1. System Security

Computer information systems and networks are key business tools for the Town of Mansfield. Mansfield 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 entities served.

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

All users in the "System" group have administrative rights to ADMINS. The Finance Director, Accounting Manager and IT Director should be the only active users with administrative rights. All access to ADMINS is role-based.

C.2. Establishing a New User in the FMS

1. HR Representation For The Entity Notifies The Accounting Manager

Human Resources must notify the Accounting Manager 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 Finance Director and must be copied on all email notifications.

2. Accounting Manager Sets Up User Account

The Accounting Manager creates a user account for the new employee based on the access requested by Human Resources. The Accounting Manager is responsible for notifying the appropriate Department Head, the respective HR personnel and the Finance Director, via email, when the user account has been fully set up.

3. Archive New User Requests

The Accounting Manager is responsible for archiving all email notifications from Human Resources in the FMS. 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.

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

1. Department Heads Notify The Accounting Manager

Department Heads must notify the Accounting Manager 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 Finance Director must be copied on the email.

2. Archive Modification Requests

The Accounting Manager is responsible for archiving all email notifications from Department Heads in the FMS. 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.

C.4. Notifying the Finance Department of Separated or Terminated Employees

1. HR Representation For The Entity Notifies The Accounting Manager

In the event an employee is to be terminated from service, Human Resources must notify the Accounting Manager via email no less than 30 minutes 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 Finance Director, respective HR personnel, and appropriate Department Head must be copied on the email. In the case a Town employee is terminated, the Town Manager must be copied. In the case a School District employee is terminated, the Superintendent must be copied.

In the event an employee is to be separated from service, Human Resources must notify the Accounting Manager via email within a week of the employees’ separation 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 Finance Director, respective HR personnel, and appropriate Department Head must be copied on the email.

2. The Accounting Manager Disables The User Account

Upon receipt of a termination email notification from Human Resources, the Accounting Manager must immediately disable all access rights to the FMS. Upon a separation, The Accounting Manager will disable the users account on the day of separation. In both instances, once complete, a reply confirmation email is sent to HR.

3. Archive Termination Requests

The Accounting Manager is responsible for archiving all email separation/termination notifications from the Human Resources in the FMS. Emails are stored in folders, labeled according to the name and email of the user. The separate folders for individual users are all stored in a “Separation-Terminated User” folder.

4. Accounting Manager Reviews FMS User Accounts

On an annual basis, the Accounting Manager is responsible for vetting separated/terminated employees against users in the FMS. Human Resources will provide the Accounting Manager with a list of separated/terminated employees from the current year to perform the review. The Accounting Manager will review the FMS user list to ensure no separated/terminated employees on the HR provided list have an active account. The Finance Director will review, sign off and file the review if successful. The Accounting Manager is then responsible for notifying the Human Resources of a successful review. If any discrepancies are found, the Finance Director and respective HR personnel are to be notified immediately and appropriate removal and investigative action will be taken.

C.5. Systems Support

The Town’s IT Department is responsible for all network administration and support. The Accounting Manager is responsible for all FMS administration and works with support from Admins Inc. to maintain and update the software.

C.6. Data Backup

The Town relies heavily on the computer systems that manage its data and applications. Every day, the information saved on a computer’s hard drive or the Town Network could be exposed to a wide variety of risks: Equipment failure, unauthorized intrusion, viruses, and/or power surges. To make sure Mansfield can successfully recover from such disastrous events, the following Data Backup Policy has been established:

C.6.a. Normal FMS Data Backup

Perform Backups Daily

The data residing on the servers that comprise the Town Network will be backed up on a daily basis. This process fully backs up data and system files stored on all servers to ensure the most recent versions can be recovered when required. The Town’s Information Technology Director is responsible for ensuring this process successfully occurs every night.

Store Backup Media Off-Site

Most databases, including the FMS, are backed up first by their own vendor-provided scripts on drive storage at the Town Hall. These script driven backups are then in turn

copied to offsite file storage every night. This process ensures that each night's backups are always immediately stored both on and off-site for redundancy. Specifically, the off-site storage is the Town's password protected QNAP backup device in a highly secure and climate controlled room at E.O. Smith High School. In addition, the virtual machine that runs the FMS is also backed up off-site, as are lesser, file-level components of the FMS information such as Finance Department scans of invoices and purchase orders. This approach creates a level of data insurance that provides recovery from multiple sources in the unlikely case that one element of the backup were to be unsuccessful.

Perform Full System Backups

In addition to nightly full system backups, at least one full weekly backup will be performed. This procedure will include the backup of all system programs, application programs and associated data files required by the computer systems to function correctly. If it is deemed necessary, this procedure will be performed on a more frequent basis. At year end, the IT Department will perform an additional full system backup and take off-site for storage.

Apply a Retention Strategy

The backup retention will have 3 months of point-in-time backups, ensuring data can be recovered as it existed on any given date during the past 3 months' time. Additionally, there will be quarterly backups for the past 12 months, ensuring data can be recovered as it existed for any given quarter during the past 12 months' time. Additionally, there will be annual backups for the past 7 years, ensuring data can be recovered as it existed for any given year during the past 7 years' time.

C.6.b. Testing Data Backups

Periodically Test Backups

The backup process will be tested quarterly to ensure that files are successfully copied to external hard drives. The testing process will include the recovery of a randomly selected test file to each of the network's servers to confirm the reliability of the external drive in use and the configuration of the data backup software.

C.7. User IDs and Passwords

Although the information gathered, processed and maintained by the Town of Mansfield is, by law, public record, access to that information must be controlled to assure integrity and use of that data for Town operations. The Town 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 shall be responsible for the administration of access controls to all Town computer systems. The IT Department will process adds, 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 Department is 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 passwords to 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 the IT Department promptly whenever an employee leaves the Town or transfers to another department so that his/her access can be revoked. Involuntary terminations must be reported by the HR Department concurrent with the termination.

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.8. Disaster Recovery Plan

The Disaster Recovery plan contains contact information, data backup procedures, prioritization of restoration, inventory of systems and step-by-step procedures for possible disaster scenarios with offsite recovery locations. The plan must be reviewed and tested on no less than an annual basis.

C.9. Role Backup

One employee in the IT Department must be assigned as backup network administrator in the situation the IT Director is unavailable. The Finance Director is assigned as the backup FMS administrator in the situation the Accounting Manager is unavailable.

4. CHART OF ACCOUNTS

D.1. Account Code Structure

D.1.a. Policy

The Accounting Manager is responsible for maintaining the Town's Chart of Accounts. The Finance Director and Budget Analyst have ability in the FMS to create new accounts, but they still must notify the Accounting Manager via email for approval. Any and all requests for new accounts must be emailed directly to the Accounting Manager for approval. In the case the Accounting Manager wants to create an account on his/her own, the Finance Director must be emailed for approval. All approval emails must be archived FMS folders. Only the three aforementioned employees have FMS authorization to create new accounts.

D.1.b Elements of the Account Code Structure

1. Account Number

17-digit account numbers are used in the FMS for Town and Board of Education transactions. These account numbers consist of five (5) segments: 3-digit Fund, 5-digit Department, 5-digit Object, 2-digit Location and 2-digit Entity (NOTE: The Entity code is always "00")

2. Fund Number

Each fund has its own individual code. A fund number has to be assigned first before any activity can be entered into the FMS.

3. Department Number

These numbers represent the individual departments across the Town and School District.

4. Object

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/Retained Earnings
- 4 = Revenue
- 5 = Expense

5. Location

This number is used for classification purposes

5. BUDGETING

E.1. Budget Calendar

E.1.a. Town of Mansfield

Early December	Staff Meeting – Budget Manual/Package
Late January	Budget Retreat and Major Projects Update w/ Town Council All budgets (CIP & GF) entered into system Program Narratives & Performance Measures submitted Proposed Salaries entered
Late January - Early February	Department reviews – Budgets, Narrative, Performance Measures, Core Services & CIP CIP Budget Team Meetings
Late February	General Fund bottom line 1 st Draft Book ready for review
Early March	2 nd Draft Book ready for review
Mid March	Final Budget Book ready for review
Late March	Budget Book ready for reproduction Council Budget Workshop Mail out Citizen’s Budget Guide First Council Budget Workshop
Early April	Council Budget Workshops continued Public Information Session #1 Public Hearing on Budget
Late April	Council Budget Workshops continued Adoption of Budget and Recommended Appropriations
Early May	Town Meeting Guide to printer Public Information Session #2
Mid May	Annual Town Meeting
Mid June	Town Referendum

E.1.b. Mansfield Board of Education

Early October	Budget Manual Sent to Administrators
Early December	Budget Review with Administrators
Mid January	Budget finalized by Superintendent Budget Books prepared for BOE
Late January	Budget Introduction & Overview Board Review – Regular Programs
Early February	Board Review – District Mgmt., Special Education, Support Svcs. & Board Questions
Mid February	Board Detail Review and Adoption

E.1.c. Region 19 School District

Early November	Budget manual to administrators and department heads Board Retreat to discuss Budget priorities Budget process reviewed at department head meetings
Late November	Draft program narratives submitted to Principal
Early December	Technology requests to IT Director Department Budgets submitted to Principal
Mid December	Municipal Budget meeting Budgets reviewed by Principal and forwarded to Superintendent
Early-Mid January	Bottom Line/Budget Book preparation
Late January	Superintendent's Proposed Budget to printer
Early February	Superintendent's Proposed Budget distributed to member towns and the public
Late February	Budget Review Meeting
Early March	Regular District BOE Meeting Budget Review Meetings

Late March	Public hearing on Superintendent’s Budget Finance Committee meeting Budget review and recommendation
Early April	Regular District BOE Meeting Board Adoption of Budget
Early May	Annual Meeting on Budget Budget referendum held in Town of Ashford, Mansfield and Willington

E.1.d. Eastern Highlands Health District

Late November	Finance Committee Budget Meeting-1
Early December	Finance Committee Budget Meeting-2
Mid December	Budget Presentation to Board
January 1st	Deadline for final budget estimates per By Laws
Mid January	Fiscal Year 2015/2016 Budget Public Hearing
Early February	Budget Public Hearing Deadline per By Laws
Mid February	Adoption of Budget

E.2. Budget Preparation, Presentation and Adoption

E.2.a. Town of Mansfield

The Town Manager and Finance Director must meet with Department Heads in early December to provide guidelines for budget preparation. Department Heads are responsible for preparing individual estimates for the current year, as well as revenue and expenditure estimates for the upcoming year. Department Heads must pay close attention to historical trends and current needs when determining estimates. The Town Manager and Finance Director review estimates with the Department Heads and use them to develop the Town Manager’s proposed budget. The Town Council reviews the Town Manager’s proposed budget, makes changes as necessary, and eventually adopts. The final Town budget, along with the Board of Education budget, is sent to the Town Meeting for voter adoption.

E.2.b. Mansfield Board of Education

Administrators and Principals are responsible for preparing estimated and proposed budgets for review by the Superintendent. The Superintendent then presents his/her proposed budget to the Board of Education. The Board of Education engages in further review and is ultimately responsible for preparing a final itemized estimate of the budget each year for submission to the Town Council for review and appropriation. Following appropriation, the Board of Education shall meet and revise such itemized estimates, if necessary, and adopt a final appropriated budget for the year. The final Board of Education budget, along with the Town budget, is sent to the Town Meeting for voter adoption.

E.2.c. Region 19 School District

The Board of Education is responsible for preparing an itemized estimate of its budget each year for presentation at a public district meeting. Following the district meeting, the Board will prepare a final budget for the next fiscal year that will be presented at a second public district meeting. The final budget is approved and adopted at the second district meeting.

E.3. Budget Monitoring and Transfers

E.2.a. Town of Mansfield

The Finance Director and Town Manager are responsible for administering and monitoring the budget through the course of the year. On a quarterly basis, the Finance Director updates the Town Manager and Finance Committee on budget appropriations versus expenditures to date. The Quarterly 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 Town Council. Line item transfer requests made by Department Heads must be approved by the Finance Director before submission to the Finance Committee.

E.2.b. Mansfield Board of Education

The Superintendent's Office is responsible for administering and monitoring the budget through the course of the year. A quarterly 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 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.2.c. Region 19 School District

The Superintendent's Office is responsible for administering and monitoring the budget through the course of the year. A quarterly 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 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.

6. CASH AND BANK RECONCILIATION

F.1. Petty Cash

F.1.a. Obtaining Reimbursement

1. Submit Request For Petty Cash To The Petty Cash Administrator
Employees seeking petty cash reimbursement must submit the request to their respective Petty Cash Administrator. All requests must be signed and dated by the requestor and respective Department Head. Disbursements are not to exceed \$100 on an individual basis. 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. Online purchases using a personal credit card submitted for reimbursement can have an online receipt and a copy of the credit card statement.
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 voucher. The Petty Cash Administrator is responsible for keeping the voucher up-to-date. The voucher 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 voucher before submission to Finance.
4. Chief Executive Reimbursement
Chief Executives of each entity must have signed approval from the Finance Director to receive petty cash reimbursement.

F.1.b. Petty Cash Replenishment

1. Complete Petty Cash Replenishment Voucher
On a monthly basis, the Petty Cash Administrator will reconcile expenditures with cash on hand using the appropriate Finance Department form. Once reconciled, the Petty Cash Administrator will submit the replenishment voucher and reconciliation documentation 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 vouchers before creating the appropriate purchase order.

F.2. Termination of Petty Cash Accounts

The Finance Director maintains the authority to suspend or terminate a petty cash account that is non-compliant with the aforementioned operating procedures.

F.3. Bank Reconciliation Process

There are nine (9) accounts that get reconciled on a monthly basis.

1. Town Checking Account

This is a pooled-cash, operating account for the Town, Eastern Highland Health District, Daycare and Downtown Partnership. The Accountant reconciles the bank statement and the Accounting Manager reviews and signs off.

2. Region 19 Checking Account

This is a pooled-cash, operating account for Region 19 & EO Smith Foundation. The Accountant reconciles the bank statement and the Accounting Manager reviews and signs off.

3. Community Center Credit Card Checking Account

This is a deposit account for all community center credit card transactions. On a monthly basis, all funds in the account are transferred to the Town Checking account, leaving a remaining balance of \$5,000 for refunds and other needs. The Accounting Manager reconciles the account and the Finance Director reviews and signs off.

4. Holiday Fund Checking Account

This account is for contributions to the Holiday Fund program. The Human Services Department is allowed to use these funds for the Holiday Program. All contributions are deposited to the Town Checking Account and then transferred into the Holiday Fund Checking Account. The Accounting manager reconciles the account and the Finance Director reviews and signs off.

5. Board of Education Student Activities Account

This account is for funding student activities. The bank statements are sent to the Finance Department and the checkbook pages are photocopied and set up for reconciliation. The Finance Clerk reconciles the account and the Accounting Manager reviews and signs off.

6. Board of Education Athletics Account

This account is for funding student activities. The bank statements are sent to the Finance Department and the checkbook pages are photocopies and set up for reconciliation. The Finance Clerk reconciles the account and the Accounting Manager reviews and signs off.

7. Region 19 Student Activities Account

This account is for funding student activities. The bank statements are sent to the Finance Department and the checkbook pages are photocopied and set up for reconciliation. The Finance Clerk reconciles the account and the Accounting Manager reviews and signs off.

8. Region 19 Athletics Account

This account is for funding student athletic activities. The bank statements are sent to the Finance Department and the checkbook pages are photocopied and set up for reconciliation. The Finance Clerk reconciles the account and the Accounting Manager reviews and signs off.

9. Small Cities Checking Account

This account is for Small Cities to deposit funds. When funds are deposited, they are transferred to the Town Checking Account. The Accounting Manager receives the bank statements and reconciles the account and the Finance Director reviews and signs off.

7. RECEIPTS AND REVENUES

G.1. Deposit and Application of Miscellaneous Receivables

G.1.a. Receipt of Revenues

The Collector of Revenue Office is responsible for receiving and reconciling daily Town revenues. All cash and checks are delivered to the Collector of Revenue Office with standard Report of Collection forms. The physical cash and checks are reconciled against the Report of Collection forms and totaled in the Daily Revenue Sheet. The Report of Collection forms are then attached to the Daily Revenue Sheet and sent to the Finance Office and Town Treasurer for processing.

G.1.b. Bank Deposits

The Collector of Revenue office is responsible for bringing cash and checks to the Bank for deposit the following business day of collection.

G.2. Record Keeping

Cash and checks are stored in a locked bank bag and stored in a secure location until the deposit is taken to the bank. The Tax Collector's Office receives the Daily Revenue Sheet, indicating each deposit with department name, total check/cash amount and a grand total for the day. The Revenue Specialist is responsible for reconciling the Daily Summary Sheet against the corresponding Report of Collection forms before entering any revenues into AUC. Any short/over discrepancies over \$1.00 in the recording of daily revenues are adjusted manually using a separate Report of Collections. Once the revenues are posted to the General Ledger, the Accounting Manager reconciles the Daily Summary Sheet against what the Tax Collector's Office posted to the General Ledger. If accurate, the Accounting Manager records the changes in the Cash Control Spreadsheet. The Accountant is responsible for entering the tax adjustments receivable into AUC on a quarterly basis. The Accounting Manager reviews and approves this entry. The Collector of Revenue Office is responsible for reconciling recorded revenues between the AUC and QDS systems on an annual basis.

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.3. Bid Requirements Policies

All purchases \$7,500 or more must go out to bid unless the Town or School District can take advantage of a State Contract or a bid waiver is approved by the purchasing agent (See H.3.c for waivers). Bids for Professional Services in excess of \$10,000 must be awarded by the Town Manager/Superintendent/EHHD Director.

All purchases in excess of \$7,500, which do not go out to bid or are not reoccurring service charges, must have a completed Best Value Method Source Selection form (bid waiver) accompanying the purchase order. The form must be reviewed and signed by the Finance Director.

H.3.a. Competitive Quotation Process

Departments with purchases that are at least \$4,000 but less than \$7,500 must solicit offers from at least three (3) vendors.

H.3.b Competitive Proposal Process

A request for Proposal (RFP) or Request for Qualification (RFQ) shall be written for all requests for professional services in excess of \$10,000. The process used for solicitation of proposals shall assure that a reasonable and representative number of vendors are given an opportunity to compete. The Town Manager/Superintendent/EHHD Director has the authority and responsibility to execute professional service contracts in excess of \$10,000.

H.3.c. Waivers

To request a bidding, quotation or proposal process be waived, a requesting administrator must make a written request to the Superintendent/Town Manager/EHHD Director to obtain a waiver. The processes may be waived for any of the following reasons:

1. Only one (1) reasonable or qualified source can be identified. This shall include situations such as the purchase of copyrighted materials and textbooks.
2. The purchase is made using one (1) of the State of Connecticut's formal contracts with a third party.
3. Time is a critical factor, and taking the time necessary to comply with the formal process would not be in the best interest of the Town/School District/Health District.
4. In the opinion of the Superintendent and/or Finance Director, an emergency requires the purchase of goods or services to avoid injury or damage to human life or property.
5. A special source, including but not limited to a sale, purchasing plan, government discount, or trade-in allowance, will supply a lower cost than that which would result from a bid process.
6. A formal process would result in substantially higher costs to the Town/School District/Health District, or inefficient use of personnel, or cause substantial disruption of Town/School District/Health District operations.
7. Prices of goods or services are subject to specific federal or state competitive bidding requirements, including, but not limited to, "school building projects" as defined in the Connecticut General Statutes.
8. Regional or cooperative purchases.

H.4. Requisitioning

H.4.a. Department Requests and Approvals

1. Submit Purchase Order Requests to the Finance Department

Purchase order requests must be completed and include the following information:

- *Vendor Name* – Determined by the requesting department or from the FMS Vendor list
- *Ship-to Code* – Location of where goods or services will be received
- *Account Number* – Account to be charged for the expense
- *Receiving School or Department* – Who is responsible for receiving the goods or services
- *Items for Purchase* – Description should include sufficient detail including any part numbers or vendor information about the item(s)
- *Extended Price* – The total price of the purchase, including any freight charges should be calculated and included
- *Total Anticipated Cost* – The total value of the goods or services included on the Purchase Order

- *Requestor ID (Name)* – The person responsible for addressing any issues regarding the request and the goods and/or services received per the Purchase Order
2. Obtain Appropriate Approvals
The request must be approved by the requestor’s Department Head. All approved purchase requests are then reviewed and approved by the AP Clerk. The Finance Director must approve all purchases in excess of \$5,000.
 3. Payment Approval
All purchases orders need to have proper approvals before the actual purchase can be made. Purchases conducted without the proper approvals made beforehand may result in non-payment.
 4. Purchase Order Thresholds
The Finance Department will review vendors on file on an ongoing basis and implement a process to review purchase order thresholds. This process will help to identify users that may attempt to circumvent the PO process.

H.5. Purchase Orders

H.5.a.Preparation of the Purchase Order

Department Heads and their staff use the FMS to create purchase orders electronically. The purchase orders are sent to the Finance Department for review and processing. From there, approved purchase orders are then emailed or mailed to vendors. Any relevant documentation (packing slips, delivery confirmation, etc.) received in connection with goods or services covered by a purchase order must be filed at the ordering entity. The entity will confirm the receipt of the goods or services and the vendor will be paid according to standard Accounts Payable procedures. The Finance Director or Accounting Manager must approve an appropriate allocation of funds before a vendor will be paid.

H.5.b Purchase Order Cancellation

In the event an entity decides to cancel a purchase order, they should promptly email the Finance Department with the Subject “Cancelled Purchase Order for (insert school/department)”. The purchase order number and date should be stated in the email. The email will act as approval from the school for cancellation of the purchase order. The Finance Department will archive all cancellation emails. It is the responsibility of the entity to promptly notify the vendor that the order has been cancelled. The Finance Department will then delete the Purchase Order from the system.

H.6. Purchasing Cards (P-Cards) and Store Charge Cards

The Town of Mansfield and the respective entities that they provide services to do not possess or maintain entity based credit cards (eg. Visa, MasterCard, American Express). Instead the Town and respective entities use either Purchase Cards (P-cards) or Store Charge cards.

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

P-Card Policy Agreement:

All employees granted a P-card must sign the Cardholder Agreement Form and 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. Individuals are granted either a \$1,000 single-transaction and \$5,000 monthly limit, or a \$5,000 single-transaction and \$25,000 monthly limit. On an annual basis, the Finance Department 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 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 for processing. The Finance Department performs 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.

Store Charge Card Policy Agreement:

The only authorized store credit cards for the Town of Mansfield and its respective entities are Home Depot, Big Y and Walmart. All employees granted a Store Charge Card must sign the Cardholder Agreement Form and Store Charge 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 spending limits based on the type of card in their possession. Card limits range from \$100 to \$1,600. The Finance Department will reconcile each card on a monthly basis. On an annual basis, the Accounting Manager will review cardholder spending limits and adjust the limits at their discretion.

H.6.b Store Charge 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 will freeze the individual Store Charge 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 for processing. The Finance Department performs monthly reviews of Store Charge 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.7. Exceptions to the Normal Purchasing Process

Under certain emergency conditions, defined below, it may be necessary to deviate from the formal requisitioning and purchasing process.

Definition of an Emergency

An emergency exists when unforeseen circumstances beyond the Town/School District/Health District's control:

- a. Present a real, immediate threat to the proper performance of essential functions;
or
- b. May reasonably be expected to result in
 - i. Material loss or damage to property,
 - ii. Bodily injury or
 - iii. Loss of life, if immediate action is not taken.

Under \$7,500

If an emergency determination is made that requires immediate action, the requestor will contact the Finance Department immediately and ask that the Finance Director approve the purchase. An additional email request must be sent to the Finance Director for record-keeping purposes. The purchase will be approved and the invoice will be submitted to the Finance Department within 24 hours. The invoice will be matched to the emergency purchase. The requisition will be entered into FMS after-the-fact and the purchase approved by the Finance Director (or Accounting Manager in his/her absence).

\$7,500 or more

If an emergency determination is made whereby the time required to go through the formal bidding process is not feasible, the vendor selected will need to be approved by the Finance Director, Town Manager/Superintendent/EHHD Director (and Board of Education, Town Council or EHHD Board of Directors when \$20,000 or more). The Finance Office will be informed promptly at any emergency declarations and provided the necessary direction to record contracted obligations.

A written contract shall be executed prior to commencing work. Where a purchase is made or work contracted without a prior written contract, a written contract shall be prepared and executed as early as possible. The contract shall contain such detail as is appropriate under the circumstances. At a minimum, the contract shall state the parties, the item to be purchased, the maximum amount,

the basis for payment and require that the contractor comply with all statutory requirements. A copy of the contract shall be kept in the Finance Department files.

Because an emergency situation may require immediate action without incorporating all of the usual and customary contract provisions, Finance Department staff and the vendor should consider the use of a short term contract with limited authority whenever possible. During this interim period, alternatives should be considered, such as competition (by sealed bids or otherwise) for the remaining purchases or work, or a more detailed contract which incorporates the usual and customary terms. Even where an emergency is determined to exist, the Town shall obtain competition whenever practicable, as the best means to assure quality services and minimum cost.

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

Entities receive items that have been approved through the purchasing policy. Goods or services are delivered directly to the requesting entity. Confirmation and verification of the receipt of goods or services is the responsibility of each respective location.

I.1.b. Vendor Invoices

Invoices for all goods and services are mailed directly to the Finance Department. In the event an invoice is sent directly to a purchasing entity, the invoice is forwarded to the Finance Department as soon as possible; original invoices only for processing.

I.1.c. Recording Invoices

The Finance Clerk is responsible for matching invoices to purchase orders and entering them in the FMS. It is the Finance Clerk's responsibility to identify any discrepancies with purchase order information and alert the Accounting Manager and/or Finance Director immediately. In the event a purchase order match cannot be found, the invoice is sent to the recipient entity to be verified. If the goods or services have been received and the invoice information is correct, the Finance Clerk 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. The Finance Clerk is responsible for reviewing the batch of checks and matching them against the corresponding purchase orders and invoices. Each purchase order reviewed by the Finance Clerk requires his/her signature and date to signify completion of the review process. Any discrepancies are brought to the immediate attention of the Finance Director and Accounting Manager. If no discrepancies are found, the Finance Clerk signs and dates the batch and provides the report to the Accounting Manager for final review and approval. A second Finance Clerk, who is not involved in Accounts Payables functions, will be asked to perform the same review process as a second level of redundancy.

I.2. Expenditure Reviews

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

I.3. Adding a Vendor to File

The Finance Director, Accounting Manager, and Finance Clerks are the only authorized users to add new vendors to file in the FMS. To request a new vendor be added, the process is as follows:

1. Department Staff Email the Accounting Manager

If a Department wants to make a requisition to a vendor not already on file, a staff member must email a formal request to the Accounting Manager. The Finance Director and the respective Department Head must be copied on the email. The email should contain detailed information about the vendor allowing for quick and easy creation by the Finance Department. The Accounting Manager is responsible for reviewing and approving the request.

2. Accounting Manager Archives all Requests

The Accounting Manager is responsible for archiving all email notifications from the Department Heads in the FMS. Emails are stored in folders, labeled according to the name and of the new vendor. The separate folders for individual vendors are all stored in a “New Vendor” folder.

3. Perform Formal Vendor Reviews

The Finance Department must review the vendor file on a quarterly basis. Finance is responsible for running a report in AUC that identifies new vendors for the year, who added each vendor and when each vendor was added. The Accounting Manager and Finance Director must then review the report and confirm all vendors on file are appropriate. The report should be signed and dated by the Accounting Manager and Finance Director.

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, withholding, etc. The Town, Region 19 and Mansfield Board of Education 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 completed New Hire Checklist or Personnel Action Form is required for each new hire and is stored in their personnel file. Human Resources must notify the Accounting Manager of any new employee that needs access to the FMS.

J.1.b. Employee Changes

Any change to an employee's information is documented in a Personnel Action Form. Human Resources is responsible for notifying appropriate parties of employee changes, including the Accounting Manager for changes in the FMS.

For new hires and employee changes, Human Resources submits support tickets to the Information Technology (IT) department to provide access to all computer related technology needs (financial system, computer network, email system, remote access, other software programs). IT then coordinates with the Accounting Manager re: the FMS. In the case of terminations for cause HR notifies IT ASAP, or as far in advance as possible as to when the computer access must be shut down.

J.1.c. Employee Terminations

In the case of a termination, the Town Manager, Superintendent, Department Head or EHHD Director must notify Human Resources as soon as possible. Human Resources must notify the Accounting Manager 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.

J.1.d. Employee Personnel Files

Employee personnel files are maintained by Human Resources. All human resources information, such as but not limited to applications for employment or promotion, benefits related forms, performance evaluations, new hire forms, separation information

(resignations, retirements, terminations), and payroll information such as compensation changes and direct deposit forms I9, health insurance, life insurance, contract, and payroll information, such as W-2s, pension, union membership cards dues, and direct deposit, are filed in the employee's appropriate file. Three separate files are maintained for employees: personnel, payroll, and medical.

J.2. Time Records and Payroll Preparation

J.2.a. Timekeeping

Time entry is decentralized and handled by each school/department. Employees enter their time into a standardized excel spreadsheet and Department Heads review for accuracy and sign off. The spreadsheets are delivered to the Payroll Administrator by the end of each pay-period.

1. Payroll Administrator Enters Time in the FMS

The Payroll Administrator enters the hours worked per pay period by employees at the Town, Downtown Partnership, Health District, Region 19 and the Board of Education. The Payroll Administrator uses the submitted spreadsheets to enter employee time into the FMS.

2. Payroll Administrator Reviews Time Entry Submission

The time entry spreadsheets submitted to Payroll are reviewed by the Payroll Administrator to confirm information is correct and appropriate approvals are in place. The Payroll Administrator and Finance Clerk compute payroll totals and manually enter them to a Timesheet Edit Report. The Timesheet Edit Report is then used to manually enter payroll data into the FMS. The Payroll Administrator initials and dates the payroll run to document the review.

3. Additional Review

The Finance Clerk and the Payroll Administrator are responsible for a secondary review after timesheets are entered into the payroll system. A Timesheet Summary Report is printed out of the FMS and compared to the original Timesheet Edit Report and individual spreadsheets. The Payroll Administrator signs and dates the review. Additionally, the Accounting Manager completes a pay-period estimation that is compared against the actual payroll totals. If accurate, the estimate is signed, dated and filed by the Accounting Manager.

4. Payroll Distribution

The payroll distribution lists, for all managed entities, are reviewed and signed by the Accounting Manager prior to sending check files to the bank. All distribution lists should be maintained by the Finance Department for recordkeeping purposes.

J.2.b. Payroll Adjustments

Human Resources is responsible for managing employee changes in the payroll system. All adjustments require either a completed Personnel Action Form (PAF) or appropriate back up for the particular payroll change (i.e. Form W-4 for tax withholding adjustment, Community Center Membership Payroll Deduction Agreement for Community Center Membership etc.)

J.2.c. Check Processing

Payroll is run bi-weekly on Monday and Tuesday, with checks being issued on Wednesday. Payroll checks are signed by the Director of Finance and Accounting Manager. All checks are automatically signed when printed. The Payroll Administrator produces the Check Register and the Direct Deposit Register for the Treasurer's review. If approved, the Account Manager then sends the payroll files to the bank and signs and dates. Manual checks are issued as needed and entered into the system with the next regular payroll period. Finance Clerks are responsible for distributing Town paychecks and School District paychecks are given to Personal Assistants for distribution.

J.3. Deductions and Quarterly/Year-End Reporting

Payroll reports are generated to confirm that the FMS payroll information has been updated. The Payroll Administrator is responsible for creating them and the Accounting Manager reviews and signs off. The following quarterly and year-end reports are printed and distributed:

- 941 Quarterly Report
- W-2s

Normal deduction information (i.e. taxes, insurance, 401/457) is entered into the payroll system by HR staff when an employee is added. The Payroll Administrator will enter wage attachments (i.e. Child Support, IRS Penalties), and federal tax and retirement fund adjustments. The Payroll Administrator is also responsible for submitting payments to various companies and organizations based on the deductions.

J.4. Final Payroll Payments and Accruals

The Payroll Administrator is responsible for calculating and recording final payments to employees. Once completed, the calculations are reviewed and signed by the Assistant Town Manager and included in the employee's final paycheck.

The Payroll Administrator is responsible for accrual processing. Town, EHHD and Downtown Partnership accruals are done automatically through the payroll module on a monthly or annual basis depending on the type of accrual. At the beginning of the fiscal year, the HR Staff is responsible to run a report for vacation time to ensure employees are being allotted their correct accrual amount at that point in time. Once completed, the HR Staff signs, dates and files the report.

J.5. Accrued Benefits/Retirement Policies

Human Resources is responsible for tracking and maintaining the listing of retirees and reporting of retiree benefits to the Town.

11. FINANCIAL REPORTING

K.1. Closing Procedures

K.1.a. Monthly Close

Journal entries are reconciled against bank statements on a monthly basis and are reviewed and signed off by the Accounting Manager.

K.1.b. Quarterly Close

All monthly closing procedures are performed. The Accounting Manager 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 Finance Director and the Finance Committee. An aged purchase order review is performed as well. The quarterly financial statements are prepared by the Accounting Manager and then reviewed by the Finance Director prior to being reviewed by the Finance Committee.

K.1.c. Year-End Close

All monthly and quarterly 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 are rolled over to the next year. All closing entries are posted after the financial audit and fund balances are closed out.

K.1.d. Accounting Period Close

1. Cash/Investments

Bank reconciliations are performed by the Accountant and Accounting Manager and reviewed by the Accounting Manager and Finance Director (see section F.2. for details). The Accounting Manager uses a cash control spreadsheet to maintain the People's checking accounts on a daily basis. This gets reconciled on a monthly basis.

2. Accounts Receivable

The Accounting Manager reviews all July deposits to ensure funds are recorded in the appropriate year. The Revenue Collector's office reviews all billing activity and collections and provides a listing of receivables to the Accounting Manager to review and record the journal entry. The Finance Director reviews the journal entry.

3. Inventory

The Accounting Manager records and analyzes reports of sales and purchases. Gift Card and Paper inventory counts are compared to physical inventory on a monthly basis. The Food Services Director performs a physical count of all food and provides

the totals to the Accountant to record the journal entry. A reconciliation of food inventory is completed on a quarterly basis.

4. Fixed Assets

On a quarterly and year-end basis, the Accountant 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 will notify the Accountant 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 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, provide them to the Accounting Manager to record an appropriate journal entry. Open purchase orders are reconciled and all purchase orders are reviewed with Department Heads to determine the accuracy of the information.

6. Deferred Revenue

The Tax Collector provides deferred revenue information to the Accounting Manager 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: Parks & Rec – Rec Trac), revenues are reconciled against what is recorded in AUC 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.

12. GRANT MANAGEMENT

M.1. Requests

1. Grant Applicants Notify Finance Department

Grant applicants must contact the Finance Department prior to applying for a grant. The applicant is required to provide the Budget Analyst 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 Budget Analyst is responsible for conducting a cost-benefit analysis to ensure that applying for and managing a given grant does not yield negative gains. The Finance Director will reject any grants that provide fewer funds than it costs to monitor, process, and apply for the grant.

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 for tracking purposes.

M.2. Monitoring and Administration

The Finance Department is responsible for monitoring and tracking all grant activity. Formal grant fund reviews should be completed by the Finance Department on a monthly basis. The person responsible for the grant administers the grant and he/she will meet with the Budget Analyst on a quarterly basis to discuss the expenditures and budgeted items. The person responsible for the grant is responsible for ensuring all expenditures meet grant requirements. It is up to the discretion of the Budget Analyst and Finance Director to revoke administrative rights in the case the current administrator is incapable of properly managing the grant.

M.3. Submission and Approval

1. Town Grants

All Town grant applications require a cost-benefit analysis by the Budget Analyst. If confirmed, the application requires Finance Director and Town Manager approval before submission to Town Council. Town Council is the final approval step before the grant application can be processed.

2. School District Grants

All School District grant applications require a cost-benefit analysis by the Budget Analyst. If confirmed, the application requires Finance Director and Superintendent approval before submission to the Board of Education. The Board of Education is the final approval step before the grant application can be processed.

13. CAPITAL ASSETS

N.1. Capital Asset Policies

N.1.a. Accounting Methodology

The Town makes beneficial use of capital assets in pursuing its missions. Legal responsibilities require that the Town 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 Accountant and Accounting Manager maintain the physical and reporting control of the Town's capital assets, and the Accounting Manager reviews and signs the annual fixed asset reports. The major responsibilities each party has in connection with the Capital Assets Policy & Procedures are as follows:

All Entities:

- Report to the Finance Department the 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 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:

- 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 entities for verifications and certification purposes by September 30th of the current fiscal year
- Conduct a periodic physical inventory of property (including affixing inventory tags)

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

<u>Item</u>	Town/Board General funds	Town-MSF 833 Fund	EHHD	Region 19
Computer Equip. - Capitalization	>\$5,000	>\$500 <i>Exception: All laptops and computers are capitalized regardless of cost</i>	>\$1,000	>\$5,000
Computer Equip. – Accountable	\$1,000-\$5,000	N/A	N/A	\$1,000-\$5,000
Non Computer Equip. – Capitalization	>\$5,000	>\$2,500	>\$1,000	>\$5,000
Non Computer Equip. – Accountable	\$2,500-\$5,000	N/A	N/A	\$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 Accountant is responsible for recording all fixed assets and the Accounting Manager assists and reviews. The Town Manager/Superintendent/EHHD Director has the authority to approve the acceptance of capital assets.

N.1.d.Disposal of Capital Assets

Department Heads must notify the Finance Department 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 Town Manager/Superintendent/EHHD Director must sign the form.

N.1.e.Transfer of Capital Assets

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

14. STUDENT & ATHLETIC ACTIVITY FUND ACCOUNTS

The High School (Regional School District 19) and Mansfield Middle School are the only schools with Student and/or Athletic Activity Fund Accounts. The funds are set up as petty cash funds and the account is a single signature checking account with select individuals, as appointed by the Superintendent, to sign for checks. The following procedures must be followed for all Student and/or Athletic Activity Fund Accounts:

0.1. Receipts

1. Collection Of Receipts

Each school activity collects money through various means of fundraising – donations, sales, and/or events. Two (2) employees for each school are responsible for collecting money raised from school activities. The Activity Collection Form is filled out and signed by the two (2) employees – each school is required to disclose who these employees are to the Finance Department on an annual basis. The form indicates the total funds collected and for what reasons. The money is then sealed in an envelope with the Activity Collection Form and sent to the Finance Department for processing within two (2) business days of an event.

2. Recordkeeping

It is the responsibility of the two (2) assigned employees for each school to keep detailed records of Student and Athletic Activity Fund Account activity. The account activity must be updated after every collection.

The Accounting Manager is responsible for entering the receipt into the General Ledger after receiving an Activity Collection Form. On a monthly basis, the (2) assigned employees are responsible for sending the School's account record/ledger to the Finance Department for a formal reconciliation against the account's bank statement. The Accounting Manager completes the reconciliation and signs, dates and files it. The reconciliation for each account MUST be completed by the Finance Department in addition to the school's internal review.

0.2. Disbursements

1. General Disbursements

The disbursement of activity funds must be clearly documented by the two (2) assigned employees in the School's account record/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. Reimbursement Requests

An Activity Reimbursement Request form must be completed by one of the two (2) employees responsible for overseeing the Student and Athletic Activity Fund Accounts in order to obtain reimbursement. The form must clearly outline how much money is needed for

reimbursement and for what reasons. Copies of the corresponding checks and the activity ledger must be attached to the voucher. The School Principle and one of the two (2) designated employees sign the form. Once completed, the form is sent to the Finance Department.

3. Reimbursement Processing

On a monthly basis, the Finance Clerk creates a purchase order to replenish the account. All Activity Reimbursement Request forms for the month are reviewed and totaled on the month-end PO. Copies of checks drawn for that month must be attached. The PO is reviewed and approved by the Superintendent before any funds are disbursed. Once the PO is approved, one of the authorized employees cuts the reimbursement check and it is deposited in the appropriate School's Student or Athletic Activity Fund Account.

3. Recordkeeping

It is the responsibility of the two (2) assigned employees for each school to keep detailed records of Student Activity Fund Account activity. The account activity must be updated after every reimbursement. The Accounting Manager is responsible for entering the expense into the General Ledger after reviewing the month-end voucher. Reimbursement vouchers need to be reconciled against the monthly bank statement in addition to the schools' check registers/ledgers.

0.3. Reporting and Reconciliation

Each school's record of their fund's activity must be kept in a detailed spreadsheet. The Principal must review, initial and date the spreadsheet before sending it to the Finance Department for reconciliation. The monthly reconciliation performed by the Accounting Manager must be approved and reviewed by the Finance Director and the school Principals. Under no circumstances are separate Activity Fund Accounts to exist within the High School or Middle School that are not overseen by the Finance Department.

15. EXPENSE REIMBURSEMENTS

P.1. General Reimbursements

Employees are eligible for reimbursement from the town for a number of different expenses, including travel (mileage, lodging, parking, etc.), meals, memberships, supplies, uniforms and more. All Town, Health District, Mansfield Board of Education and Region 19 School District employees must have approval in advance from their Department Heads to be eligible for a reimbursement. Employees must submit the Employee Reimbursement Form and all supporting documentation (original receipts only!) for reimbursement directly to their Department Heads and Superintendent (if applicable) for review and signed and dated approval. The Employee Reimbursement Form and supporting documentation are then submitted to the Finance Department for further review and approval. Reimbursements are then processed through the payroll system, with the supporting documentation maintained by the Finance Department for recordkeeping purposes.

Under no circumstances, is a Mansfield official at any level, allowed to approve their own expense reimbursements without Finance Department review and approval.

P.2. Travel Reimbursements

Employees authorized to attend conferences, meetings or travel on Town, Health District, Board of Education or Region 19 School District business shall be reimbursed, upon submitting the Employee Reimbursement Form and supporting documentation for reasonable expenditures, transportation costs, and registration fees. Employees must gain advanced approval by completing and submitting a *Professional Travel Request* form. This form must be submitted prior to any travel or the incurred expenses will not be reimbursed. In addition, all employees must adhere to the Town's Professional Travel Policy as revised on August 1, 2014 and may be amended from time to time.

P.3. Mileage Reimbursements

All employees must adhere to the Town's Mileage Reimbursement Policy and Vehicle Use Policy as revised on March 17, 2008 and October 21, 2011, respectively, and may be amended from time to time. All mileage should be submitted for approval using the Employee Reimbursement Form.

P.3.a. Mileage Log Form Instructions

1. From/Destination - List both the name and address of the starting point and destination. The starting place should be the place in which the mileage reimbursement starts. For example, if you are leaving your house for a meeting but can only be reimbursed from your central office location please input the central office location as your starting point.

2. MTG Nature/Purpose - Provide a clear and concise detail of why you are attending the meeting. Please do not put generic terms such as “Conference/Workshop.” The more information that can be verified the better.
3. Miles - We have created a “Standard Mileage Chart” which can be found on the Town's Intranet/"M" drive (Region). This chart provides standard mileage for frequently traveled sites. Please check this chart to see if your travel is documented here. If so, please input the standard mileage based on this chart. No other mileage value will be accepted if the travel site is listed within this chart. If your travel site is not listed within the Standard Mileage Chart please submit documentation of mileage for your travel. (i.e. Mapquest, Google Maps)
4. All mileage reimbursements should be submitted to Finance for processing.

P.3.b. Standard Mileage Chart of Approved Distances

Location From/To	Location From/To	Approved Distance
Town Hall 4 South Eagleville Rd Mansfield CT	Goodwin Elementary 321 Hunting Lodge Rd Storrs CT	4
Town Hall 4 South Eagleville Rd Mansfield CT	Southeast Elementary 134 Warrenville Rd Mansfield CT	4
Town Hall 4 South Eagleville Rd Mansfield CT	Vinton Elementary 306 Stafford Rd Mansfield CT	5
Town Hall 4 South Eagleville Rd Mansfield CT	Mansfield Middle School 205 Spring Hill Rd Storrs CT	3
Goodwin Elementary 321 Hunting Lodge Rd Storrs, CT	Southeast Elementary 134 Warrenville Rd Mansfield CT	8
Goodwin Elementary 321 Hunting Lodge Rd. Storrs, CT	Vinton Elementary 306 Stafford Rd Mansfield CT	6
Goodwin Elementary 321 Hunting Lodge Rd. Storrs, CT	Mansfield Middle School 205 Spring Hill Rd Storrs CT	7
Southeast Elementary 134 Warrenville Rd. Mansfield, CT	Vinton Elementary 306 Stafford Rd Mansfield CT	5
Southeast Elementary 134 Warrenville Rd. Mansfield, CT	Mansfield Middle School 205 Spring Hill Rd Storrs CT	3
Southeast Elementary 134 Warrenville Rd. Mansfield, CT	Goodwin Elementary 321 Hunting Lodge Rd Storrs CT	8
Vinton Elementary 306 Stafford Rd. Mansfield, CT	Mansfield Middle School 205 Spring Hill Rd Storrs CT	3
Vinton Elementary 306 Stafford Rd. Mansfield, CT	Goodwin Elementary 321 Hunting Lodge Rd Storrs CT	6
Vinton Elementary 306 Stafford Rd. Mansfield, CT	Southeast Elementary 134 Warrenville Rd Mansfield CT	5
Town Hall 4 South Eagleville Rd Mansfield CT	EASTCONN 376 Hartford Tpke Hampton CT	11
Town Hall 4 South Eagleville Rd Mansfield CT	State Dept. of Ed 165 Capitol Ave Hartford CT	25
Town Hall	Legislative Office Bldg	26

4 South Eagleville Rd Mansfield CT	300 Capitol Ave Hartford CT	
Town Hall	ACES	55
4 South Eagleville Rd Mansfield CT	205 Skiff St Hamden CT	
Town Hall	Conn Assn of Public School Supt 26	28
4 South Eagleville Rd Mansfield CT	Caya Ave, W. Hartford, CT	
Town Hall	Institute of Tech & Bus Dev	36
4 South Eagleville Rd Mansfield CT	185 Main St New Britain CT	
Town Hall	Conn Assn School	50
4 South Eagleville Rd Mansfield CT	30 Realty Dr Cheshire CT	
Town Hall	Holiday Inn	24
4 South Eagleville Rd Mansfield CT	100 E. River Dr East Hartford CT	
Town Hall	Crowne Plaza	36
4 South Eagleville Rd Mansfield CT	100 Berlin Rd Cromwell CT	
Town Hall	Quinnipiac	52
4 South Eagleville Rd Mansfield CT	275 Mt. Carmel Ave Hamden CT	
Town Hall	Capitol Region Education Council	25
4 South Eagleville Rd Mansfield CT	111 Charter Oak Ave Hartford CT	
Town Hall	Univ. of Hartford	27
4 South Eagleville Rd Mansfield CT	200 Bloomfield Ave W. Hartford CT	
Town Hall	Four Points Sheraton	43
4 South Eagleville Rd Mansfield CT	275 Research Pkwy Meriden CT	
Town Hall	CT Convention Center	25
4 South Eagleville Rd Mansfield CT	100 Columbus Blvd Hartford CT	
Town Hall	Central CT State University	34
4 South Eagleville Rd Mansfield CT	1615 Stanley St New Britain CT	
Town Hall	Sheraton Hartford South Hotel	32
4 South Eagleville Rd Mansfield CT	100 Capital Blvd Rocky Hill CT	
Town Hall	Marco Polo Restaurant	22
4 South Eagleville Rd Mansfield CT	1250 Burnside Ave East Hartford CT	
Town Hall	Farmington Marriott	34
4 South Eagleville Rd Mansfield CT	15 Farm Springs Rd Farmington CT	
Town Hall	Shipman and Goodwin	24
4 South Eagleville Rd Mansfield CT	1 Constitution Plaza Hartford CT	
Town Hall	Aqua Turf Club	48
4 South Eagleville Rd Mansfield CT	556 Mulberry St Plantsville CT	
Town Hall	Community Child Guidance Clinic	20
4 South Eagleville Rd Mansfield CT	317 N Main St Manchester CT	
Town Hall	Manchester Memorial Hospital	17
4 South Eagleville Rd Mansfield CT	71 Haynes St Manchester CT	
Town Hall	CT Children’s Medical Center School	26
4 South Eagleville Rd Mansfield CT	282 Washington St Hartford CT	
Town Hall	EASTCONN (Columbia Autism	9
4 South Eagleville Rd Mansfield CT	Prog) 10 Commerce Drive Columbia CT	
Town Hall	Gengras Center	28
4 South Eagleville Rd Mansfield CT	1678 Asylum Ave West Hartford CT	
Town Hall	EASTCONN (Putnam)	22
4 South Eagleville Rd Mansfield CT	508 Pomfret St Putnam CT	

Town Hall 4 South Eagleville Rd Mansfield CT	New England Assistive Technology Center (NEAT) 33 Coventry St Hartford CT	27
Town Hall 4 South Eagleville Rd Mansfield CT	Windham Early Childhood Center 322 Prospect St Willimantic CT	8
Town Hall 4 South Eagleville Rd Mansfield CT	STEM Magnet School 141 Tuckie Rd North Windham CT	9

P.4. Employee Reimbursement Form

1. This form should be completed in its entirety. If any information is left blank or supporting documentation is not complete, the reimbursement will not be processed until all appropriate information has been received.
2. All reimbursements should be processed monthly at a minimum. (This does not apply to Dependent Care, Uninsured Medical or Tuition Reimbursements)
3. Uninsured Medical/Dependent Care Reimbursements/Tuition Reimbursement - Submit this form with all supporting documentation to your appropriate HR Administrator for processing and approval. Department head signature is not required.
4. Supplies/Travel/Meals - Attach all supporting original receipts (including the travel authorization form, if appropriate) to the reimbursement, have your Department Head sign off for approval and submit to Finance for processing.
5. **All approval signatures need to be hand written signatures. Stamped signatures will not be accepted for reimbursement.**

16. GIFT CARD MANAGEMENT

The purchase and use of merchant gift cards is a fairly new activity, most utilized by the Human Services and Youth Services departments. There is a need for the occasional use of gift cards for specific purposes, however given the "cash" nature of these cards, tight internal controls are necessary to avoid any instance or appearance of fraud. The following procedures are in place to effectively manage all Town/EHHD-owned gift cards:

1. The purchase of any gift card, regardless of the denomination or source of funding (i.e. grants), must have prior written approval from either the Director of Finance or the Town Manager. The request must be signed by a Department Head and must include: the number of cards to be purchased, the merchant, the denomination of each card, the intended recipient(s), and the reason or purpose of the gift card.
2. Acceptable uses include, but may not be limited to:
 - a. Volunteer or other appreciation award
 - b. Human Services Assistance program
 - c. Holiday Giving program
 - d. Other programs as approved by the Town Manager
3. Unacceptable uses include, but are not limited to:
 - a. As an alternate procurement method. In other words, they are not to be purchased to be used at a later date to purchase food or other materials and suppliers for meetings, events, etc.
 - b. As payment to an independent contractor for services or expense reimbursement
 - c. As reimbursement to an employee for mileage, meals or other expenses
 - d. As reimbursement to a volunteer for mileage, meals or other expenses
4. Once purchased, all cards are to be inventoried by the requesting Department and recorded on the attached Gift Card Inventory List. It is the responsibility of the requesting Department Head to make certain the cards are secured in a locked area with controlled access.
5. Distribution of gift cards must be documented either with a letter to the recipient (including name and address) stating the reason and amount of the award, signed by the Department Head (or his/her designee) or signature on the Gift Card Inventory List by both the individual dispensing the card and the recipient.
6. On a monthly basis, prepare a month end report documenting the physical inventory of the gift cards in your possession as compared to the Gift Card Inventory list. Department Head approval is required and a copy of the report must be sent to the Finance office.
7. All gift card inventories are subject to random, unannounced audit by the Finance Department. Please retain all Inventory Lists and Reports along with copies of all letters to recipients.

17. CELLULAR TELEPHONE USE POLICY

All employees must adhere to the Town's Cell Phone Policy as revised on April 1, 2015 and may be amended from time to time. Employees granted a Town-owned cellphone who elect to use it for personal use are required to adhere to the Town's Acceptable Use Policy. These employees must sign and date the policy.