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Board of  
Education



# **Accounting Policies and Procedures Manual**

**Board of Education  
Version 1.0 – October 2019**

**Version 1.0**

## Accounting Policies and Procedures Manual Preface

This manual has been assembled to provide the Town of Chaplin Board of Education (hereafter “Board of Education”) with guidance in fulfilling its fiscal responsibility to its funding sources.

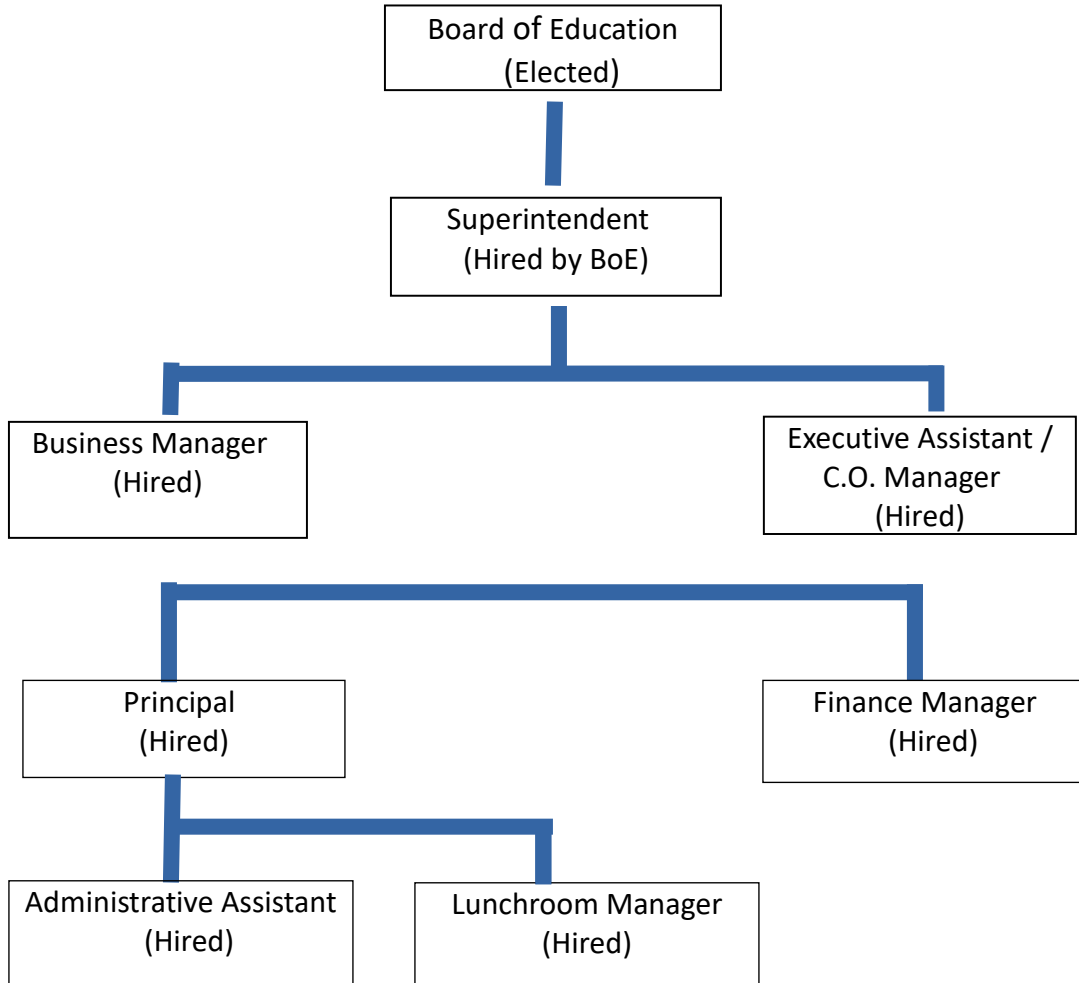
The **Accounting Policies and Procedures Manual** establishes Board of Education policies in various financial-related areas and sets forth the procedures to be followed in adhering to those policies. This manual is to be used by Board of Education and its employees to assure that the Board of Education financial resources are properly safeguarded and utilized only for authorized purposes.

Management realizes that the procedures set forth in this manual may become inadequate because of changes in conditions. As such, Management, as authorized by the Board of Education, will revise, modify, and update this manual as conditions warrant.

The Board of Education will follow the established policies and procedures in fulfilling its fiscal responsibility and in maintaining its accountability to its funding sources.

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## BOARD OF EDUCATION ORGANIZATION CHART



### Policy Number 1 - General Statement on Accounting Policies and Procedures – 10/15/19

Policy:

1. The Board of Education shall maintain its accounting records in conformity with generally accepted accounting principles.
2. Fund accounting - In order to ensure observance of limitations and restrictions placed on the use of resources available to the Board of Education, the accounts of the Board of Education are maintained in accordance with the principles of "fund accounting". Resources to be used for specific purposes are classified for accounting and reporting purposes into funds that are in accordance with activities specified. Fund balances restricted by outside

sources are distinguished from unrestricted funds. Externally restricted funds may only be utilized in accordance with the purposes established by the source of such funds. Unrestricted funds represent those funds over which the Board of Education retains full control in achieving any of the Board of Education purposes. The Board of Education's general funds come from the Town of Chaplin General Fund, its Capital Improvement funds come from the Town of Chaplin Capital Improvement Program, and its grant funding is paid into and spent out of the Town of Chaplin Educational Grants. Two Town of Chaplin Special Revenue funds are also connected to the Board of Education: the lunchroom pays into and is funded through the Town of Chaplin Child Nutrition Fund, and the pre-K and after school programs pay into and draw funds from the Town of Chaplin Pre-school and Afterschool Fund.

3. Government grants - Government grants are recognized as revenue by the Board of Education.
4. The policies and procedures set forth in this manual will be followed by the Board of Education in carrying out its daily operations. Variances or exceptions will be allowed only when approved by the Board of Education. If a grant funding source requires more stringent policies and procedures, the funding source's policies and procedures shall be followed.
5. Fiduciary Funds - Fiduciary Funds are used to account for assets held by the Board of Education on behalf of others, for example the Student Activities fund, which is primarily utilized to account for monies held as custodian for outside student groups. These funds are not included in regular financial statements to the Board of Education but may be subject to review or audit by the Town of Chaplin, or the Board of Education, or their agents, at any point.
6. In the case of expenses that exceed allocated funds, the Board of Education will notify the Board of Finance immediately, reporting on what the expected overage is, how it developed, why it occurred, and so forth, and will prepare to request additional allocations from the Board of Finance in a timely manner.

#### Procedures:

1. Accounting records will be maintained in accordance with the Board of Education fiscal year, i.e. July 1 – June 30.
2. The accrual method of accounting shall be used.
3. The Board of Education computer systems will be utilized in maintaining and creating the general ledger, all related journals and financial reports.
4. All revenues, support and expenses shall be segregated by Fund programs, grants, etc. to provide for a proper accounting of each program/grant by source of funds.
5. Board of Education financial statements will be audited by an independent certified public accounting firm on an annual basis in accordance with generally accepted auditing standards and Government Auditing Standards, issued by the Comptroller General of the United States. The audit shall also satisfy the audit requirements set forth in the Office of Management and Budget (OMB) Circular No. A-133.

6. The Board of Education will provide financial reports (budget vs actual, income, balance sheet/profit & loss, trial balance, CIP profit & loss, and miscellaneous entities) to the Board of Finance within a week of its regularly-scheduled monthly meetings.

### **Policy Number 2 - Internal Control - 10/15/19**

Policy: The Board of Education will maintain an adequate system of internal accounting controls to provide management with reasonable assurance as to the safeguarding of assets against losses from unauthorized use or disposition and the reliability of financial records for preparing financial statements and maintaining accountability of assets.

Procedures:

1. The characteristics of an adequate system of internal control will include the following:
  - a.) Segregation of duties, when possible, within the organization based on functional responsibilities.
  - b.) A system of authorization and record retention.
  - c.) A degree of personnel competence commensurate with responsibilities.
2. To achieve these objectives, the following controls will be in place:
  - a.) No one person shall have complete control over all phases of any significant transaction.
  - b.) Whenever possible, the flow of work will be from one employee to another so that the work of the second, without duplicating that of the first, provides a check upon it.
  - c.) Record keeping will be separated from operations or the handling and custody of assets.
  - d.) Responsibilities in the accounting department will be clearly established and followed as closely as possible

### **Policy Number 3 - Financial Statement Audit - 10/15/19**

Policy: The Board of Education will have its financial statements audited by an independent Certified Public Accounting firm on an annual basis, as part of the town's yearly audit.

Procedures:

1. The Board of Education will have its financial statements audited annually in accordance with generally accepted auditing standards, and Government Auditing Standards, issued by the Comptroller General of the United States.
2. If applicable, the Board of Education audit shall also comply with the auditing requirements mandated by OMB Circular A-133.
3. In preparing for the audit, Board of Education should complete a self-check audit program.
4. Copies of the audited financial statements will be distributed to the First Selectman, Finance Manager and/or Bookkeeper and others at the discretion of the Board of Education Chair. Additional copies will also be distributed to the Board of Selectmen and Board of Finance.

#### **Policy Number 4 - Financial Reports - 10/15/19**

##### Policy:

1. All monthly, internal financial reports will be completed and distributed to the Board of Education during their regularly scheduled monthly meeting.
2. All financial reports required by a grant funding source will be properly prepared and filed in accordance with the applicable laws and regulations.

##### Procedures:

1. The monthly, internal financial reports consist of Budget vs Actual – Profit & Loss, plus additional information as needed.
2. The Board of Education external reporting requirements as set forth in the terms and conditions of grants shall be adhered to.
3. In order to satisfy these reporting requirements, the Board of Education shall set up and utilize a report tickler file. The tickler file will identify the funding source, type of report, due date and date filed.
4. The Board of Finance will be furnished a report to its requirements within one week of regularly scheduled Board of Education meetings.

#### **Policy Number 5 - Budget Development, Overview and Responsibility - 10/15/19**

##### Policy:

1. The Board of Education will develop and utilize a budgeting process to monitor the Board of Education financial assets and resources.
2. Budgets will be prepared annually and submitted to the Board of Finance for approval following review and recommendation by the Board of Education. The Board of Education's budget's final approval comes as part of the approval of the Town of Chaplin budget at the annual town meeting.
3. The Superintendent, in conjunction with the Business Manager, will be responsible for the oversight of the budget(s) throughout the year.
4. Monthly budget variance reports will be completed and distributed to the Superintendent, Principal, and Board of Education, at the regularly scheduled monthly Board of Education meetings.
5. The Board of Education and its agents cannot spend money unless appropriately authorized to do so.

Procedures:

1. Annually, the Administration is responsible for developing a budget for the next fiscal year.
  2. The Superintendent will assist the Administration by providing cost factor information and information on past budget performance. The Finance Manager will also review the budget requests for reasonableness, allowability and cohesiveness within the Board of Education.
3. The Superintendent will submit the budget to the Board of Education. The Board of Education will review, adjust and otherwise confirm the budgets in consultation with appropriate administrative staff and the Superintendent.
4. The Board of Education submits the budget to the Board of Finance.
5. The Board of Finance reviews, adjusts as appropriate and confirms the Board of Education budget for the next fiscal year.
6. Budgets for grant-funded programs are developed by the Administration and Board of Education in conjunction with grant funding sources.
7. School Administration must operate within the budget guidelines and dollar amounts approved for each fiscal year.
8. The Administration will receive a Budget vs. Actual (budget variance) report on a monthly basis.
9. The Administration is responsible for managing the funds allocated in its budgets and will be required to justify all budget overruns.
10. The Superintendent, in conjunction with the Board of Education, will oversee actual costs and expense allocations throughout the year to ensure adherence to budget(s).



11. New initiatives, cost overruns, etc. identified during the year are to be brought to the attention of the Superintendent. Review efforts should identify either proposed revenue (support) coverage for these costs or budget re-allocation opportunities.
12. The Superintendent will inform the Board of Education of the proposed budget revisions and seek their approval. The Board, at any time, may adjust Board of Education budget, within its officially appropriated total, at its discretion to reflect Board initiatives or new conditions.
13. Budget revisions for Federally funded projects will be made in accordance with the applicable federal regulations and requirements.

**Policy Number 6 - Cash Management - 10/15/19**

Policy:

1. All bank accounts are managed by the Town of Chaplin with the exception of the Student Activities Fund.
2. The Board of Education will properly control and account for all cash.
3. All cash depository accounts will have FDIC coverage.
4. All bank balances in excess of FDIC coverage (\$250,000) will be collaterally secured.

Procedures:

1. All bank accounts shall be in the "Town of Chaplin BoE" name.
2. All checks will be pre-numbered and used in numerical order.
3. No checks will be prepared without proper supporting documentation.
4. Checks will not be made payable to "Cash" or "Bearer".
5. Blank checks are to be kept in a secured location in the Administrative Assistant's office.
6. All checks must be accounted for. Void checks are to be defaced and kept for subsequent inspection.
7. All bank accounts will be reconciled monthly by the Administrative Assistant.
8. The Administrative Assistant will compare the reconciled cash balances to the General Ledger balances and investigate and resolve all variances.
9. The authorized check signatures are as follows:

a.) Treasurer

b.) Superintendent

10. The mechanical check signer, if applicable, will be kept in a locked file cabinet separate from the blank checks.

11. For all disbursements two authorized signatures are required.

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### **Policy Number 7 - Petty Cash - 10/15/19**

#### **Policy:**

The Board of Education shall maintain a petty cash account on an imprest basis in the amount of \$100.00.

#### **Procedures:**

1. The Administrative Assistant will be the custodian of the imprest petty cash funds.
2. All petty cash funds will be kept in a petty cash box in a locked drawer or file cabinet. Only the petty cash custodian and the Administrative Assistant will have access to the petty cash box.
3. Disbursements may be made from the petty cash fund for miscellaneous supplies and expenses.
4. The purchaser shall present the petty cash slip to the petty cash custodian for payment. A receipt for all purchases must be attached to the petty cash slip.
5. The petty cash custodian shall insure that the petty cash slip is properly completed, approved, and that a proper receipt is attached before payment is made.
6. At all times, the petty cash box will contain receipts and cash totaling the amount of the fund.
7. When expenditures total \$75.00 the petty cash custodian will total the disbursements by account classification and submit all appropriate documentation necessary to the First Selectman to have the fund replenished.

### **Policy Number 8 - Accounts Receivable Collection - 10/15/19**

#### **Policy:**

The Administration bears ultimate responsibility for monitoring the timely collection of accounts receivable balances.

Procedures:

1. The Lunchroom manager will monitor collection of funds for the lunchroom, and will notify a child's guardian(s) if that child's lunch balance is negative for more than 30 days.
2. The pre-K and afterschool programs will collect funds for their respective programs, and will notify guardian(s) of outstanding balances after no more than 30 days.
3. The Administration may, at its discretion, take further steps to collect outstanding balances from pre-K or afterschool families. This may include, after appropriate attempts to collect have failed and guardians have been notified, removing children from the relevant programs. The Administration may also take further steps to collect outstanding lunchroom balances.
4. Outstanding balances of any kind will never prevent a child from accessing standard, legally mandated school services and classes during normal school hours, nor will they prevent a child from eating the designated daily lunch during meal time.

**Policy Number 9 - Procurement Standards – 10/15/19**

Policy:

1. The Board of Education may use its own procurement policies and procedures.
2. In accordance with A-110, the Board of Education shall establish policies and procedures that will provide:
  - a.) That the Board of Education shall follow Federal procedures & guidelines governing the awarding and administration of Federal funds.
  - b.) Awards shall be made to the bidder/offeror whose bid/offer is responsive to the solicitation and is most advantageous to the recipient, price and other factors considered.
  - c.) The Board of Education shall establish procedures to assure the avoidance of purchasing unnecessary or duplicate items.
3. As part of the procurement process, no employee, officer or agent of the Board of Education shall participate in the selection, award, or administration of a contract supported by federal funds where the possibility of a conflict of interest, real or apparent, exists. Additionally, the Board of Education officers, employees, or agents shall neither solicit nor accept gratuities, favors or anything of monetary value from contractors, potential contractors, or parties to sub-agreements.

Procedures:

1. Employees must discuss potential purchases with the Administration.
2. The Administration will review the purchase request and determine if there are sufficient funds in Board of Education and/or applicable grant's budget to make the purchase.

3. The Administration will also review the approved budget and applicable laws and regulations to determine if the purchase is an allowable cost (for Grant funds).
4. After obtaining approval from the Administration, the Administrative Assistant will notify the person making the request, who will complete the purchase request and place the order with the vendor.
5. When the accounting department receives the receiving report and the vendor's invoice, the purchase is scheduled for payment.
6. OMB Circular A-110, Attachment O, 3.c(7) and (8) states:

"(7) Some form of price or cost analysis should be made in connection with every procurement action. Price analysis may be accomplished in various ways, including the comparison of price quotations submitted, market prices and similar indicia, together with discounts. Cost analysis is the review and evaluation of each element of cost to determine reasonableness, allocability and allowability.

- (8) Procurement records and files for purchases in excess of \$5,000 shall include the following:
- (a) Basis for contractor selection,
  - (b) Justification for lack of competition when competitive bids or offers are not obtained,
  - (c) Basis for award costs or price."

7. For purchases less than \$5,000, bidding is not required, and verbal quotes are sufficient.

8. For Purchases for more than \$5,000 but less than \$10,000, the Superintendent or his/her designee shall solicit written quotes from at least three companies if the nature of the commodity or service permits effective competitive pricing, when possible.

9. Purchases for \$10,000 or above shall be bid or be purchased from a state-approved vendor list, and/or following the Town of Chaplin ordinances governing purchases of this size, including the Town's internally-approved vendors list.

10. In emergency situations, as determined by the Superintendent, bidding procedures may be suspended.

11. Bids are not required for:

- 1) Purchases where only one supplier exists
- 2) Architectural Services
- 3) Legal Services
- 4) Services Requiring Specific Expertise (consultants, specialists)
- 5) Textbook Purchases.

### **Policy Number 10 - Receiving – 10/15/19**

Policy:

All materials supplies and equipment will be received and signed for by an authorized employee.

Procedures:

1. All materials, supplies and equipment received by the Board of Education are to be inspected, counted and checked against the receiving report (packing list) and/or a copy of the purchase request.
2. All receiving reports are to be signed by the employee receiving the goods provided the steps noted above did not disclose any discrepancies between the goods received and the receiving report (packing list).
3. If any discrepancies are noted, the employee receiving the goods should bring the discrepancy to the immediate attention of the Administration.
4. The receiving report is to be forwarded to the accounting department where it will be matched with the invoice.

### **Policy Number 11 - Accounts Payable – 10/15/19**

Policy:

1. All invoices, check requests, and travel vouchers must be approved for payment by the Administration.
2. To establish Board of Education obligation for payment of invoices, all invoices are matched with purchase requests and signed receiving slips.
3. Copies of code sheets and invoices coded are to be reviewed by the Administrative Assistant to ensure that the proper expense account is charged to the proper entity in the appropriate accounting period.
4. Code sheets and invoices must be reviewed by the Finance Manager for accuracy before the vouchers are posted to the general ledger.
5. All support documentation must be intact before any invoice, check request or travel voucher is entered into the "open" A/P files.
6. Open invoices are to be filed by vendor name and payment due dates.

Procedures:

1. The Administrative Assistant opens mail and delivers invoices.
2. The Administrative Assistant matches all invoices with purchase requests, pre-bills, requests for purchase, or packing slips, and submits invoices to the appropriate personell for review. Once approved by the department head, all invoices and check requests are submitted to the Administration for authorization to pay.
3. The Administrative Assistant will then perform the following tasks:
  - a.) Review vendor files to ensure that invoice hasn't been paid.
  - b.) Run calculator tape to check any extends, discounts, tax rates and addition.
  - c.) Code the invoice using the chart of accounts and any other document provided.
  - d.) Paper clip any remittance advices to the invoice.
4. At the school level, The purchase request, invoice, proof of payment, and/or other related documentation are clipped together by the Administrative Assistant, and sent to the central office.
5. The Finance Manager will then perform the following tasks:
  - a.) Enter the invoice into the Accounts Payable module.
  - b.) Print and review Voucher Edit Report.
  - c.) Post A/P activity to the general ledger.
  - d.) File the entered invoices and supporting documentation in the "open" A/P file by Vendor and DUE DATE, if not being paid at that time.

**Policy Number 12 - Cash Receipts – 10/15/19**

Policy: All cash receipts shall be properly recorded in the Board of Education accounting system and deposited in a timely manner, at least every two weeks, unless there are extenuating circumstances. All cash/checks will be kept in a fire-proof box or filing cabinet.

Procedures:

1. The Administrative Assistant will open all incoming mail.
2. All remittances will be immediately stamped for "Deposit Only" by the Administrative staff.
3. The Administrative Assistant shall record the check amount, check date, check number and source (payor) in the cash receipts log and will give all checks to the Finance Manager. Triplicate carbons will be used, with one copy going to the customer, one copy included with proof of payment into the appropriate file, and one staying in the carbons book to maintain a numerical record.

4. All cash and checks will be locked in the appropriate file cabinet or safe, then taken by the Administrative Assistant to the bank.
5. The Administrative Assistant will scan in the deposit slips and send electronic copies to the Central Office.
6. The physical deposit slips will be filed and kept at the school.

### **Policy Number 13 - Cash Disbursements – 10/15/19**

#### Policy:

All cash disbursements, except those from petty cash, will be made by check.

1. All cash disbursements shall be supported by an approved payment voucher and all applicable documentation.
2. Checks shall not be issued without bearing the payee and dollar amount.
3. All cash disbursements must be approved by the Principal.
4. Upon disbursement of funds, the approved payment voucher will be attached to the supporting documentation thereby cancelling the invoice to prevent duplicate payments.
5. All payment packages shall be filed in vendor files after disbursement.

#### Procedures:

1. At the beginning of the week the Finance Manager will print a weekly aged accounts payable listing.
2. The Finance Manager will review the aged Accounts Payable listing, open invoices, check request and travel voucher. A selection of times to be paid will be made based upon due dates and cash flow.
3. The Finance Manager will enter invoices selected to be paid in the computer system.
4. A pre-payment report is printed and reviewed by the Finance Manager for accuracy.
5. The computerized checks are printed and given to the Superintendent together with all supporting documentation for final approval.
6. The Superintendent reviews the supporting documents and initials the payment voucher authorizing the disbursement of funds.
7. For all disbursements a copy of the approved payment voucher and supporting documentation is forwarded to the Superintendent and Treasurer for signature (two signatures are required for all checks). Once signed, the checks are returned to the Finance Manager.

8. The Finance Manager cancels all supporting documents to prevent any duplicate payments.
9. The Finance Manager will be responsible for the mailing of all checks.
10. The Finance Manager files the supporting documentation in the appropriate vendor files and retains for audit.

### **Policy Number 14 - Payroll – 10/15/19**

#### Policy:

1. Employees are paid on a bi-weekly basis. There are 26 pay periods in a year. The payroll is processed via an outsourced payroll company.
2. Hourly employee signed time sheets must be submitted to the Principal for approval prior to payment. In no instances will an employee receive a paycheck if he/she has not submitted a properly signed detailed time sheet for the prior pay period.
3. All employees who have access to any payroll information will be required to sign a "Payroll Confidentiality Form".

#### Procedures:

1. Employees are paid bi-weekly.
2. For employees paid by the hour, employees must submit signed time sheets to the Principal for approval.
3. For non-hourly employees, the Administrative Assistant will maintain daily attendance logs and send the logs to the Central Office.
4. W-2 Forms are distributed to all employees before January 31.
5. W-2 Forms and all other required information will be submitted to Federal and State Agencies by the Finance Manager in accordance with the appropriate regulations.
6. All employees who have access to any payroll information will be required to sign a "Payroll Confidentiality Form" (See Attachment).
7. The Confidentiality Forms referenced in (6) will be filed with individuals' personnel records.



## **Policy Number 16 - Payroll Deductions**

Policy: All payroll withholdings, expenses, taxes, filings and related payments will be made in accordance with applicable Federal and State regulatory requirements.

## **Policy Number 17 - Travel and Entertainment Expenses – 10/15/19**

Policy:

1. All travel conducted by Board of Education employees with respect to Board of Education business must be approved by the Principal. Employees need to make the travel request in writing at least seven (7) days prior to the scheduled trip. The Principal can grant exceptions to this notice requirement.
2. While traveling on official business, the employee is expected to exercise the same sound judgment in incurring expenses that a prudent person would exercise if traveling on personal business and expending personal funds.
3. When Grant funds are supporting travel in whole or in part, the Board of Education will adhere to the appropriate travel regulations of the federal government or such other regulations required by the funding agency. (See OMB Circular A-122, Attachment B, 50, "Travel Costs").
4. All entertainment costs with respect to Board of Education business must have the approval of the Principal.
5. Entertainment costs are not allowable charges to Federal funds (See OMB Circular A122, Attachment B, 12, "Entertainment costs").

Procedures:

1. Travel requests must be in writing, approved by the Principal and should state the following:
  - a.) Purpose of Travel
  - b.) Travel destination
  - c.) Travel accommodations sought
  - d.) Mode of Transportation sought
  - e.) Travel dates and duration
  - f.) Source of funding for travel (if a specific grant will fund the travel in whole or in part, state the grant number and reimbursement terms)

- g.) Other employees required for travel
2. Receipts are to be submitted for all expenses.
  3. Transportation:
    - a.) Airfare should be at the discounted fares whenever practicable.
    - b.) Air class for Board of Education employees must be coach class. The use of business class or first class is specifically disallowed. An exception may be made in extenuating circumstances, with the prior approval of the Principal. Use of business class or first class, if necessary, must be documented and justified on the expense report.
    - c.) Rail or car travel is encouraged if less expensive than air travel, and if time permits.
    - d.) For business uses of personal vehicles, the Board of Education will reimburse the employee at the current (IRS) prevailing rate.
    - e.) Toll charges are acceptable expenses. Receipts are to be provided whenever possible. Receipts are required for all purchases and charges.
    - f.) Taxi charges are acceptable expenses. Receipts are to be provided whenever possible, and for all charges.
    - g.) Car rentals are permitted for mid-size or smaller vehicle rentals. Exceptions will be made when employees are traveling together, and one large vehicle is less expensive than two small vehicles. The travel agency or other intermediary should be used in setting up a rental if that will ensure the least expensive option is available and selected. To reduce costs, purchase of the collision/liability insurance offered by the agency is required.
  4. Hotels - Accommodations should be single rooms in moderately priced hotels.
  5. Meals - Costs for meals are to be broken out into breakfast, lunch and dinner on the expense report. Receipts are to be provided for all expenses.
  6. Entertainment - Entertainment expenses while on travel must be business-related to be acceptable charges. These should be differentiated from general meal expenses on the expense report, and receipts and justification indicating attendees, company, purpose, date, time and location.
  7. Travel Reimbursement - Upon the completion of the travel, the employee must submit all receipts and travel-related reports within 15 working days. These documents will be reviewed by the Finance Manager for adherence to approved limits. Reimbursement of approved expenses will normally occur within the next 15 days.

## Policy Number 18 - Employee Expenses and Advances – 10/15/19

### Policy:

1. Board of Education policy is to promptly reimburse employees for valid business expenses incurred in connection with or on behalf of the Board of Education.
2. The Principal will establish employee expense reimbursement and reporting guidelines which will be approved by the Board of Education.
3. Willful falsification of employee expense information for the purposes of defrauding the Board of Education will be subject to termination and possible prosecution.
4. Receipts must accompany expense reporting as required by the approved guidelines.

### Procedures:

1. In order to obtain expense reimbursements, employees must complete and submit a signed employee expense report within 15 days to the Finance Manager.
2. Employees will be reimbursed for the following business expenses:
  - a.) Lodging, transportation and food related expenses when on approved business travel.
  - b.) Business expenses incurred in relation to conducting business meetings, seminars or presentations with or for Board of Education-related groups.
  - c.) Mileage expenses when an employee uses his/her personal vehicle for Board of Education business.
  - d.) Other valid and approved business expenses incurred by employees for Board of Education related business.
3. Employees must attach all supporting invoices, receipts, etc. for expenses in order to receive a reimbursement for such costs. Expenses not properly documented will not be reimbursed.
4. The Finance Manager will review all expense reports for compliance, completeness, and supporting documentation.
5. Properly completed and supported reports will be forwarded to the Principal for voucher payment approval.
6. Incomplete reports will be returned to the employee with instructions for revisions and/or completion.

## **Policy Number 19 - Related Party Transactions – 10/15/19**

### Policy:

1. It is the policy of the Board of Education to obtain the "best purchase" price for goods and services purchased for Board of Education activities. Policy Number 10 defines the procurement standards to be followed by the Board of Education.
2. Such transactions will be disclosed in all grant and contract proposals as appropriate.
3. Such transactions will be accomplished on an arm's length basis, with all conflict of interest issues examined prior to entering into the transaction. Evidence of a conflict of interest will be reason not to enter into the transaction or to cancel further service should this be discovered subsequent to its execution.

### Procedures:

1. The Board of Education will adhere to the following guidelines as they apply to related party transactions:
  - a.) Such transactions will be justified in terms of their economics and quality of services/products.
  - b.) Evidence of cost and quality comparison must be maintained on file for these transactions.
2. The Board of Education will adhere to all applicable federal laws and regulations regarding open and free competition.
3. The Finance Manager, in conjunction with the Administration, shall be responsible for monitoring these transactions.

## **Policy Number 20 - Record Retention – 10/15/19**

### Policy:

1. The Board of Education follows, at minimum, the State of Connecticut standards for record retention. The Board may choose to hold records longer than this minimum.

### Procedure:

1. All physical records will be transferred to the Central Office in a timely manner. The elementary school will maintain electronic copies of these records.

**Policy Number 21 - Personnel Files – 10/15/19**

Policy: The Board of Education shall maintain individual personnel files for all employees.

Procedures:

1. All active personnel records are maintained at the Central Office.
2. The Central Office is the designated secure repository for personnel records.
3. The Elementary school will not keep copies of personnel records longer than needed.
4. The school will continue to move all older, existing personnel records at the school to the Central Office in a timely manner.
5. The personnel files shall contain at least the following information:
  - a.) Application
  - b.) Resume
  - c.) Letter of Hire
  - d.) Documentation of all:
    1. Salary Increases
    2. Job changes
    3. Promotions
    4. Evaluations
  - e.) Other pertinent information and documents related to the employee's employment.

**Policy Number 22 – Capital Improvement Funds – 10/15/19**

CIP Overview:

The Capital Improvements Plan (CIP) is a five-year plan identifying the town's capital outlay and improvement needs. As a long-range plan, the CIP reflects the town's policy regarding future physical and economic

development. By providing a planned schedule of public improvements, the CIP outlines present and future public needs and priorities. A capital improvement is defined as any expenditure for equipment, buildings, infrastructure, land acquisition, plan or project in which the cost exceeds \$5,000 and the estimated useful life is greater than one year.

Capital project planning is an ongoing process. Changing needs and priorities, emergencies, cost changes, mandates and changes in technology all require the CIP to be updated annually. The public facilities managed by the Board of Education are broad in scope, and some part of them will always be in need of repair, replacement or updating. A changing population may require changes or additions to facilities. These reasons require that the CIP be updated to maintain the financial solidity of the Board of Education and the Town.

The CIP achieves the following objectives as a component of the overall budget and financial planning process:

- a. Reduces the need for "crash programs" to finance the construction of facilities.
- b. Focuses attention on community goals, needs and capabilities.
- c. Achieves optimum use of taxpayer dollars.
- d. Guides future growth and development.
- e. Advance planning ensures that projects are well thought out in advance of construction.
- f. Provides for the orderly replacement of capital assets.
- g. Encourages a more efficient governmental administration as well as maintains a sound and stable financial program.
- h. By looking forward across multiple years in this capital improvement plan, officials will be able to carefully schedule projects to maximize the use of outside resources and minimize any impact on the operating budget. At the same time, Administrations will be able to plan in advance for upgrades of equipment and infrastructure so as to reduce emergency repairs and purchases, which inevitably drive up costs, and will also be able to plan for multi-year projects while being kept on task by being included in the CIP.

CIP Budget Procedures:

1. The need or idea for capital improvements can originate from the Administration, Board of Education, citizens, or staff.
2. The Administration is responsible for obtaining project cost estimates and identifying appropriate revenue sources for the project.
3. Projects for CIP are presented, discussed, and refined, as part of the annual budgeting process.
4. Authority and responsibility for approval of, and administration of, CIP funds for the Board of Education ultimately lays with the Board of Finance and the Town Board of Selectmen, as part of the annual budgeting process.

## **Policy Number 23 – Lunchroom policies – 10/15/19**

Policy:

1. Ensuring that every student has sufficient access to nutritious and appropriate food during school hours is a fundamental part of the mission of the Board of Education.

2. The Board of Education seeks to be effective stewards of the resources given to it by the citizens of the Town, and will therefore always work to provide that food in a fashion that is fair, economical, and efficient, as well as financially transparent.
3. The Lunchroom Manager is responsible for the timely filing of all necessary paperwork for any grants, cost-sharing, or reimbursements provided to the lunchroom by state, federal, or NGO sources, including acting as the designated claims preparer for federal reimbursement.
4. The Lunchroom Manager is responsible for the collection, counting, and depositing of school lunch funds.

Procedures:

1. All lunchroom-related bills go through the Administrative Assistant.
2. All counting of collected lunchroom funds will be done in the front office, and double-checked by the Administrative Assistant.
3. At least every once every two business days, funds collected in the lunch room are taken to the front office safe. After the Lunchroom Manager's count and the Administrative Assistant's double-check counts are completed, the Administrative Assistant will initial the official record of the count, and that "Weekly Cash Report" record will be kept on file, with a copy sent to the Finance Manager.
4. At least once every two weeks, lunchroom money in the front safe will be counted in the same fashion as above, and then taken to the bank and deposited. Copies of all deposited checks, as well as a copy of all deposit slips, will be kept locally, and a copy will be sent to the Finance Manager.
5. All lunchroom funds are deposited to the same bank account, named the "Town of Chaplin BOE CES Food Services Account". This account will be used only for food service funds.
6. Food vendors bid to provide food, and food is purchased from the winning bidders via purchase requests, handled through the Administration analogously to any other school purchases.

## **Policy Number 24 – Educational Grants – 10/15/19**

Policies:

1. Grant funding is to be sought whenever reasonably possible to cover expenses for the Board of Education.
2. For awarded grants, responsibility for continued grant compliance ultimately rests with the Administration.

Procedures:

1. Awarded grants are deposited into the Town of Chaplin fund designated "Educational Grants", and spending from those grants is likewise done from that same fund, except for grants specifically for the school nutrition program (the lunchroom) and the Pre-K and afterschool programs, both of which maintain their own separate funds.
2. Grant funding and spending will be reflected in the regular financial reports furnished to the Board of Education.

**Policy Number 25 – Pre-School and Afterschool Funds – 10/15/19**

Policies:

1. Maintaining appropriate pre-Kindergarten and afterschool programs, in response to the needs of the town and within the resources available, is part of the mission of the Board of Education.
2. The Administration is ultimately responsible for maintaining all necessary state and federal compliance for these programs, as needed.
3. Grant-based funding should be sought to supplement these programs wherever reasonably possible.

Procedures:

1. Payments for these services, grants for these programs, and expenditures for these programs will go through the Town of Chaplin Pre-School and After School Fund.
2. Pre-K and Afterschool program funding and spending will be reflected in the monthly reports furnished to the Board of Education.

**Policy Number 27 – Child Nutrition Fund – 10/15/19**

Policies:

1. Lunchroom policies and procedures are documented separately. This Policy merely concerns how the Board of Education interacts with the Town of Chaplin Child Nutrition Fund.
2. Continued solvency of the Child Nutrition Fund is ultimately the responsibility of the Board of Education.

Procedures:

1. Income and expenses for the school nutrition program go through the Town of Chaplin Child Nutrition Fund.
2. The Administration is responsible for Federal and state regulatory compliance for the Child Nutrition Fund.
3. Child Nutrition Fund funding and spending will be reflected in the regular financial reports furnished to the Board of Education.
4. In order to cover projected or current shortfalls in the Child Nutrition Fund, as well as to remain in compliance with state and federal regulations, the Board of Education may increase the cost of services provided by fund programs, within reason.



5. In case of larger shortfalls, the Board of Finance may directly allocate money to the Child Nutrition Fund, at its discretion. As this allocation goes to a special revenue fund, it will not go through, or be added to, the Board of Education budget, and does not count for MBR calculations.

6. The Board of Education will alert the Board of Finance directly should the fund be projected to run a deficit of more than \$1000 for the current fiscal year.

### **Policy Number 28 – Student Activity Funds – 10/15/19**

#### **Policies:**

1. The Elementary school will maintain a bank account, known as the Student Activity fund, for assets held by the Board of Education on behalf of others.
2. These funds are not included in regular financial statements to the Board of Education but may be subject to review or audit by the Town of Chaplin, or the Board of Education, or their agents, at any point.
3. Final oversight and maintenance of this fund is the responsibility of the Administration.
4. The Administration may maintain multiple funds within this single account, e.g. Field Trip funds, special classroom event funds, etc, but all such funds fall under the same single Student Activity bank account.

#### **Procedures:**

1. Day to day maintenance of the Student Activity fund is the responsibility of the Administrative Assistant.
2. Approval to spend money from the Student Activity fund comes solely from the Principal.
3. Checks may be written out of the Student Activity fund by the Administrative Assistant, Principal, or Lunchroom Manager.
4. Monthly statements are issued by the bank on the account, and the Administrative Assistant will balance the account monthly and furnish a report to the Principal on a regular basis.

**ATTACHMENT I**

Board of Education  
PAYROLL CONFIDENTIALITY FORM

In the performance of your duties for the Board of Education, you will have access to the Board of Education's payroll records. This information is confidential and should not be discussed with any other person without the consent of the Superintendent.

Failure to comply with this procedure could result in disciplinary action up to and including termination.

I hereby acknowledge that I have read and understand the above policy.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date