

Part I: General Financial Procedures:

I. INTRODUCTION

These general financial procedures are intended to provide the Weston Public Schools with the internal control procedures that adequately safeguard its assets properly, implement the Weston School Committee's policies, provide compliance with state and federal laws and regulations, and produce timely and accurate financial information.

II. COMPLIANCE WITH LAWS

The Weston Public Schools will follow all of the relevant laws and regulations that govern the school districts within the Commonwealth of Massachusetts and United States including the specific policies of the Weston School Committee. Additionally, any Federal Government laws and regulations that relate to grant funding will be adopted as the grant funding is received. The following are specific policies and procedures of the Weston Public Schools.

A. Record Keeping

- i. To provide an accurate and auditable record of all financial transactions, the Weston Public Schools will maintain its records and accounts in conformity with Generally Accepted Accounting Principles (GAAP) as required by the Commonwealth's statutes applicable to school districts.
- ii. Further, the Weston Public Schools specifically requires that:
 - a. No funds or accounts may be established or maintained for purposes that are not fully and accurately described within the records of the Weston Public Schools.
 - b. Separate, auditable accounting records will be maintained that adequately document the source and use of funds.
 - c. Source documents are maintained for all transactions (including time and attendance records, purchase orders, invoices, contracts, etc.).
 - d. Receipts and disbursements must be fully and accurately described in the records.
 - e. No false entries may be made in the records.
 - f. No false or misleading reports shall be issued.
 - g. Payments may be made only to the contracting party and only for the actual services rendered or products delivered.
 - h. No false or fictitious invoices may be submitted or paid.

B. Organizational Conflict of Interest or Self-Dealing (Related Parties)

- i. The Weston Public Schools will follow M.G.L. Chapter 268A the “Conflict of Interest Law and Disclosure”. The School District may not be operated for the benefit of an affiliated or unaffiliated organization or an individual in his or her own private capacity or individuals related to the Weston Public Schools or members of its management, unless the private benefit is considered merely incidental and not to conflict with M.G.L. Chapter 268A. This private benefit preclusion will extend to the following:
 - a. Sale or exchange, or leasing, of property between the district and an affiliated or unaffiliated organization or a private or related individual.
 - b. Lending of money or other extension of credit between an agency and an affiliated or unaffiliated organization or a private or related individual.
 - c. Furnishing of goods, services, or facilities between the district and an affiliated or unaffiliated organization or a private or related individual except for the rental of district facilities as specified in the Weston School Committee Policy Manual.
 - d. Payment of compensation, unless authorized by the Weston School Committee, by the district to an affiliated or unaffiliated organization or a private or related individual.
 - e. Transfer to, use by, or for the benefit of a private or related individual of the income or assets of the Weston Public School unless specifically voted by the Weston School Committee.
- ii. Thus, the Weston Public Schools will be guided by the principle of arms-length standards with all affiliated or unaffiliated organizations or with a private or related individual(s). Related party transactions shall include transactions between the School District and members of the Weston School Committee, administration, employees, related individuals and affiliated companies. Related individuals within the scope of this definition include spouses, parents, children, spouses of children, grandchildren, siblings, father-in-law, mother-in-law, sister-in-law, and brother-in-law of a School Committee member or school district employee.

C. Whistleblower Protection

- i. In compliance with M.G.L. Chapter 149 Sect.185, Weston Public Schools will not take retaliatory action again any employee who:
 - a. Reports violations of laws or risks to public health, safety or environment; or who
 - b. Refuses to participate in activities, policies or practices which the employee believes to be a violation of law or risk to public health, safety or environment.

D. “Open Door” Policy to Prevent Fraud

- i. Weston Public Schools will maintain an “Open Door” policy to employees who wish to talk about the pressure, problems and rationalizations that they face, which could lead them to consider engaging in fraudulent actions.
- ii. Counsel will be provided about the appropriateness of actions and the consequences of wrongdoing, in a ‘safe space’ environment, provided that wrongdoing has not already been committed.

E. Non-Discrimination Policy

- i. It is the policy of the Weston Public Schools not to discriminate on the basis of race, gender, religion, national origin, color, homelessness, sexual orientation, age, or disability in its educational programs, services, activities or employment practices.

F. Political Contributions

- i. No funds or assets of the Weston Public Schools may be contributed to any political party or organization or to any individual who either holds public office or is a candidate for public office. The direct or indirect use of any funds or other assets of the Weston Public Schools for political contributions in any form, whether in cash or other property, services, or the use of facilities, is strictly prohibited. The Weston Public Schools cannot be involved with any committee or other organization that raises funds for political purposes.
- ii. The following are examples of prohibited activities include the following:
 - a. Contributions by an employee that are reimbursed through expense accounts or in other ways.
 - b. Purchase by the school district of tickets for political fundraising events.
 - c. Contributions in kind, such as lending employees to political parties or using the assets of the Weston Public Schools in political campaigns.

G. Security of Financial Data, Records and School Assets

- i. Security of Financial Data
 - a. The district’s accounting software should be reviewed regularly to ensure that only properly authorized individuals, utilizing a security password, can access or modify data.
 - b. The district’s financial data must be backed up daily to ensure the recoverability of financial information in case of hardware failure. Such back-up shall be stored in a fire-safe area that is properly secured.

- c. The Principal and the Student Activity Bookkeeper(s) shall keep unused checks in a secure location.
- d. The Principal shall keep unclaimed paychecks and unclaimed pay statements in a secure location.
- e. The Superintendent of Schools or the Superintendent's designee shall secure all other financial data.

ii. Security of School Documents

- a. Originals of the following district documents are maintained and their presence is verified on a periodic basis.
 - 1. Minutes of School Committee Meetings
 - 2. Personnel and Payroll Records
 - 3. Insurance Policies
 - 4. Vendor Invoices and other Payment Records
 - 5. Grant and Contract Agreements
 - 6. Fixed Asset Inventory List
 - 7. Student Records
 - 8. Leases

iii. Security of Physical Assets

- b. The Superintendent or Superintendent's designee(s) will ensure the security of physical assets, including, but not limited to, cash and other receivables, equipment, and technology.

H. Record Retention and Disposal

- i. Records are maintained for the following indicated minimum periods:
 - a. Records, documents, and other supporting evidence including paid, cancelled or voided checks, accounts payable records, vendors' invoices, payroll sheets and registers of salaries and wages, employees' timesheets and other public documents are retained for seven years after the original entry date.
- ii. The following records supporting Federal contracts, as required by the U. S. Office of Management and Budget are retained for the indicated minimum periods:
 - a. For three years after submission of the final report of expenditures, all financial records including spreadsheets, salary information, invoices submitted and paid, and any other pertinent information, with the following exceptions:

1. If any litigation, claim, or audit is started before the expiration of the three year period, the records shall be retained until all litigation, claims, or audit findings involving the records have been resolved and final action taken.
 2. Records of equipment acquired with Federal funds shall be retained for three years after final disposition.
- iii. Permanently: Audit reports, annual district reports, School Committee minutes, tax and legal correspondence, labor contracts, insurance claims and policies, and retirement / pension records.
 - iv. The disposal date determined under this procedure is the end of the fiscal year, or the date of final payment of government grants.
 - v. All records not supporting government grants or otherwise covered by rules of the Internal Revenue Service are retained for three years from the end of the fiscal year in which the records were originally prepared.
 - vi. All financial records are maintained, by category, in chronological order and fiscal year.

III. Asset (Property) Management Guidelines

A. Use of School Assets

- ii. No employee or member of the general public may use any of the School property, equipment, material or supplies for personal use without the prior approval of the Superintendent or his/her designee.

B. Use of School Credit Cards

- i. A school credit card may, at the approval of the Town Treasurer, be issued to the Superintendent and the Assistant Superintendent for Finance and Operations for limited business transactions.

C. Property and Equipment

- i. The Weston Public Schools will develop and maintain detailed records of all government-furnished property and equipment, with an identification and segregation of property and equipment acquired through government grants.
- ii. The Weston Public Schools tags all property and equipment acquired through government grants.
- iii. The Weston Public Schools will perform a physical inventory of its equipment every two years.

D. Record and Report of Property

- i. The School district maintains records for every item of property purchased for \$500 or more as follows:
 - a. Name and description
 - b. Serial number, model number, or other identification
 - c. If title vests with any entity other than the school district, specific information relative to which specific entity
 - d. Location and condition of the equipment
 - e. Ultimate disposition data, including date of disposal, sales price, or method of disposal.

E. Physical Inventories

- i. The school district performs a physical inventory of all property valued in excess of \$500 per unit on an annual basis.
- ii. The physical inventory records include each such asset, its identification number, its location, and a brief description of its condition.
- iii. The physical inventory is reconciled to the detailed fixed asset list. Any differences are investigated and reconciled.

F. Disposal of Property and Equipment

- i. No item of property or equipment shall be removed from the premises without the prior approval of the Superintendent.
- ii. District property and equipment of value no longer needed by the school district shall be disposed of according to the Town of Weston policies, School Committee policy (DN) and the State Surplus Property Regulations M.G.L. Chapter 30B sect. 16.
- iii. If equipment is no longer needed by the school district, such equipment shall first be offered to other town departments.
- iv. If items are not useful to other town departments, the Assistant Superintendent for Finance and Operations shall arrange for its disposal and shall ensure that any revenues obtained for

the equipment shall be returned to the Town's general fund unless other arrangements have been previously made at Town Meeting.

- v. If items are disposed of, appropriate adjustments shall be made of the physical inventory list.

IV. PROCUREMENT GUIDELINES

A. Procurement of Goods and Services

- i. The Weston Public Schools procures only those items and services that are required to perform and mission and/or fill a bona fide need. Procurements are made using best value contracting, which includes assessing the best value considering quality, performance, and price.
- ii. M.G.L. Chapter 30B shall govern all procurements of supplies and services, unless specifically exempted or covered by other state or federal laws.
- iii. The Assistant Superintendent for Finance and Operations shall function as Chief Procurement Officer for the District, upon official designation by the Chief Procurement Office for the Town of Weston.
- iv. The district adheres to the following objectives:
 - a. Procurement will be completely impartial based strictly on the merits of the supplier and contractor proposals and applicable related considerations such as delivery, quantity, etc.
 - b. Make all purchases in the best interests of the district and its funding sources.
 - c. Obtain quality supplies / services needed for delivery at the time and place required.
 - d. Buy from responsible sources of supply.
 - e. Obtain maximum value for all expenditures.
 - f. Deal fairly and impartially with all vendors.
 - g. Maintain dependable sources of supply.
 - h. Be above suspicion of unethical behavior at all times; avoid any conflict of interest, related parties or even the appearance of a conflict of interest in the school district supplier relationships.

B. Purchase Orders

- i. Requisition requests will be reviewed by the Assistant Superintendent for Finance and Operations for compliance with M.G.L. Chapter 30B requirements and funds sufficiency.

- ii. The district will execute a Purchase Order for each purchase, in advance of an order being placed with a vendor to purchase goods or services. This requirement does not apply to student activity expenditures.
- iii. The appropriate building principal and the Assistant Superintendent for Finance and Operations must approve such purchase order.

C. Real Estate

- i. All lease agreements will be evidenced by a signed agreement identifying all of the terms and conditions of the lease and approved by a vote of the School Committee.
- ii. Any real estate agreement to rent or sell will require a beneficial interest disclosure as required in M.G.L. Chapter 7, sect. 40J

V. EXPENSE REIMBUESEMENT - TRAVEL GUIDELINES

A. Employee Mileage Reimbursement

- i. All employees are reimbursed at the standard mileage rate per mile as determined by Weston Board of Selectmen for use of their own vehicle for business related travel or at the rate per mile negotiated through the collective bargaining process. In addition, parking fees and tolls paid are reimbursable if supported by receipts.
- ii. All employees requesting such mileage reimbursement are required to furnish an expense reimbursement form containing the destination of each trip, its purpose, and the miles driven.
- iii. Receipts for any parking fees or tolls paid must be attached to the travel report.
- iv. Reimbursement requests must be made within the fiscal year during which the expenses were incurred. Failure to submit reimbursement requests prior to the close of a given fiscal year will result in no reimbursement.

VI. CONSULTANTS AND CONTRACTORS

A. Consultant Utilization

- i. The utilization of all consultants and contract personnel are sufficiently evidenced by the following:
 - a. Details of all agreements (e.g., work requirements, rate of compensation, and nature and amount of other expenses, if any), with the individuals or organizations providing the services and details of actual services performed.

- b. Invoices or billings submitted by consultants, including sufficient detail as to the time expended and the nature of the actual services performed.
- c. The use of a management contract for educational and administrative services will clearly identify the contractor's performance requirements, contractor's compensation, and the district's rights to educational curricula and intellectual property developed.

B. Independent Contractors

- i. The Weston Public Schools will closely monitor and regulate the use of consultant, so as to comply with the Independent Contractor Law (M.G.L. Chapter 149, sect. 148B) and the Internal Revenue Code. In particular, consultants will:
 - a. Not be controlled as to what services will be performed and how these services will be performed. Consultants will not have set hours of work.
 - b. Adhere to a precise contract scope of services, recomputed or at least adjusted annually. This consultant agreement will specify the obligation of the consultant to pay his or her own self-employment taxes, if applicable.
 - c. Not receive any fringe benefits as such, although their fee may include provision for fringe benefits.
 - d. Not be assigned a permanent workstation.
 - e. Make their services available or work for a number of firms or persons at the same time.

VII. FUND STRUCTURE & FINANCIAL ORGANIZATION

A. School Fund Structure

- i. The accounts of the School Department are organized on the basis of fund and account groups.
- ii. Funds are the control structures that ensure public monies are spent only for those purposes authorized and within the amounts authorized.
- iii. The use of funds and the budgeting, accounting and auditing that are associated with this fund structure are governed by the Massachusetts General Law and Generally Accepted Accounting Principles, as determined by the Governmental Accounting Standards Board.
- iv. The following school funds are utilized:
 - a. General Fund. School Operating Budget is the principal financing plan for school operations. The School Operating Budget is appropriated annually by Town Meeting, as part of the Town's larger General Fund budget. General fund revenue comes from two primary sources, local property taxes and state education funds (Chapter 70 funds).

- b. Capital Fund. School Capital Budget, which is the basic financing plan for capital needs, including school facilities. The School Capital Budget is appropriated by Town Meeting, under separate project-based funds and accounts. Capital funds are project specific and require Town Meeting authorization. The Capital Budget addresses the current year’s needs, while the Capital Improvement Program plans capital projects over a five-year period. Major funding sources include: local revenues from taxation and reserves, other local funds, debt and debt exclusions. Capital budget balances are available until expended.

- c. Revolving Fund. School Special Revenue Revolving Funds, which are extracurricular programs of the School Department that are self-funded through fee revenues and are authorized by specific statutes of either Massachusetts General Law, or federal law. Once established, school revolving funds may be expended without further appropriation, with the exception of departmental revolving funds established under M.G.L. Chapter 44 Sect. 53E1/2, which must be annually reauthorized by Town Meeting. School revolving balances are available until expended. School revolving funds are organized as separate accounts within the following fund codes:

Revolving Funds	Legislative Authority
Adult and Continuing Education Fund	M.G.L. Chapter 71, Sec. 71E
Athletic Revolving Fund	M.G.L. Chapter 71 Sec. 47
Circuit Breaker	M.G.L. Chapter 71B, Sec. 5A
Drama	M.G.L. Chapter 71 Sec. 47
Facility Rental	M.G.L. Chapter 40 Sec. 3
Field Trips	M.G.L. Chapter 71 Sec. 47
Food Services	Chapter 548 of the Acts of 1948
Gift	M.G.L. Chapter 44, Sec. 53A
Guidance	M.G.L. Chapter 71 Sec. 47
Music	M.G.L. Chapter 71 Sec. 47
Non-Resident Tuition	M.G.L. Chapter 71, Secs. 16D1/2 & 71
Pre-School	M.G.L. Chapter 71 Sec. 26C
Student Activity	M.G.L. Chapter 71 Sec. 47
Textbooks	M.G.L. Chapter 44 Sec. 53
Transportation	M.G.L. Chapter 71 Sec. 47
Weston International Affiliation (WIA)	M.G.L. Chapter 71 Sec. 47

- d. Grant Funds. Grant funds are awarded through entitlement or competitive process and must be used for their stated purpose. There are three main sources of grant funds: Federal, State and Private. According to M.G.L. Chapter 71, s 37A and M.G.L. Chapter 44, s53A the School Committee may accept grants or gifts for educational purposes without further appropriations.

State Grants	Legislative Authority
Academic Support (MA D.E.S.E.) ¹	M.G.L. Chapter 71 Sec. 37A
Early Literacy (MA D.E.S.E.)	M.G.L. Chapter 71 Sec. 37A
Enhanced School Health (MA D.P.H.) ²	M.G.L. Chapter 71 Sec. 37A
Kindergarten (MA D.E.S.E.)	M.G.L. Chapter 71 Sec. 37A
METCO (MA D.E.S.E.)	M.G.L. Chapter 71 Sec. 37A
Transportation Routing Software (MA D.E.S.E.)	M.G.L. Chapter 71 Sec. 37A

¹ MA D.E.S.E. is the Massachusetts Department of Elementary and Secondary Education

² MA D.P.H. is the Massachusetts Department of Public Health

Federal Grants	Legislative Authority
ARRA Early Childhood	M.G.L. Chapter 44 Sec. 53A, Chapter 70 Sec. 37A
ARRA Special Education	M.G.L. Chapter 44 Sec. 53A, Chapter 70 Sec. 37A
Carol M. White Physical Education	M.G.L. Chapter 44 Sec. 53A, Chapter 70 Sec. 37A
Education Jobs (EduJobs)	M.G.L. Chapter 44 Sec. 53A, Chapter 70 Sec. 37A
Emergency Readiness (REMS)	M.G.L. Chapter 44 Sec. 53A, Chapter 70 Sec. 37A
People of Weston Allied for Health (POWAH)	M.G.L. Chapter 44 Sec. 53A, Chapter 70 Sec. 37A
Race to the Top (RTTT)	M.G.L. Chapter 44 Sec. 53A, Chapter 70 Sec. 37A
Title I:	M.G.L. Chapter 44 Sec. 53A, Chapter 70 Sec. 37A
Title IIA: Teacher Quality	M.G.L. Chapter 44 Sec. 53A, Chapter 70 Sec. 37A
Title IID: Technology	M.G.L. Chapter 44 Sec. 53A, Chapter 70 Sec. 37A
Title III:	M.G.L. Chapter 44 Sec. 53A, Chapter 70 Sec. 37A
Title IV: Drug Free	M.G.L. Chapter 44 Sec. 53A, Chapter 70 Sec. 37A
Title V:	M.G.L. Chapter 44 Sec. 53A, Chapter 70 Sec. 37A
State Fiscal Stabilization Fund (SFSF)	M.G.L. Chapter 44 Sec. 53A, Chapter 70 Sec. 37A
Special Assistance and Mentoring	M.G.L. Chapter 44 Sec. 53A, Chapter 70 Sec. 37A
Special Education Early Childhood	M.G.L. Chapter 44 Sec. 53A, Chapter 70 Sec. 37A
Special Education Corrective Action	M.G.L. Chapter 44 Sec. 53A, Chapter 70 Sec. 37A
Special Education I.D.E.A.	M.G.L. Chapter 44 Sec. 53A, Chapter 70 Sec. 37A
Special Education Program Improvement	M.G.L. Chapter 44 Sec. 53A, Chapter 70 Sec. 37A

Private Grants	Legislative Authority
Biogen Idec	M.G.L. Chapter 71, Sec. 37A
Mass. Youth Against Tobacco	M.G.L. Chapter 71, Sec. 37A
METCO Outreach	M.G.L. Chapter 71, Sec. 37A
Weston Drama	M.G.L. Chapter 71, Sec. 37A
Weston Education Enrichment Fund Committee (WEEFC)	Article 28, Weston Town Meeting, 1985

B. Chart of Accounts

- i. A Chart of Accounts will be maintained that reflects:
 - a. the Town’s organizational structure (WPS Department)
 - b. DESE reporting categories (DOE Program, DOE Building, DOE Subject, DOE Grade, DOE Object)
 - c. Town Meeting expenditure categories (Activity, Category)
 - d. Uniform Municipal Accounting System (UMAS) guidelines (Fund, Object) and
 - e. Department of Revenue “Schedule A” reporting classifications.

C. Basis of Accounting & Budgeting

- i. The Town’s accounting principles conform to Generally Accepted Accounting Principles (GAAP), as applicable to governmental units.
- ii. The 'basis of accounting' for the General Fund, Special Revenue Funds, Debt Service Funds and Capital Funds is the modified accrual basis.

- iii. The 'basis of budgeting' is the form of accounting used to describe revenues and expenditures in the budget document. Generally, the basis of budgeting and accounting are the same for Governmental Funds.
- iv. Encumbrance accounting is used for all general fund types.

D. Budgetary Oversight

- i. The School Committee has legal responsibility for all School Accounts.
- ii. The Superintendent is charged by the School Committee with developing and overseeing school budgets and accounts, on their behalf. The Superintendent is assisted by the Assistant Superintendent for Finance and Operations.
- iii. Each program budget is managed by a District administrator, who is responsible for operating their programs within the limits of their approved budgets, and for managing the financial accounts assigned to their program.
- iv. Expenditure requests are prepared by Principals and Directors, at the school-level, under the general oversight of the Assistant Superintendent for Finance and Operations.

E. Expenditure Authorization

- i. Under M.G.L Chapter 41 Sect. 56, the School Committee approves all school bills, drafts, orders and payrolls, and stipulates that approval may only be given after an examination to determine that the charges were correct and that the goods, materials or services charged for were actually had been ordered, delivered and/or rendered.
- ii. School Committee Policy #DGA requires a majority of the School Committee to review and approve warrants for goods and services, but authorizes the Chairman (or designee) to approve payroll warrants.

F. Fund Balance

- i. Operating budget balances lapse at year's end; as a dependent entity, the School Department is not allowed to retain fund balance within the School Operating Budget.
- ii. Capital budget balances are available until expended, are retained within each fund/account, and are restricted to the specific purpose of the appropriation.
- iii. Special revenue revolving fund programs are permitted to retain unexpended balances within each fund/account, with the exception of those programs established under M.G.L Chapter 40 Sect. 3, for which unexpended balances laps to the General Fund at year end.

- iv. As a general guideline, expended balances within special revenue revolving fund accounts may not exceed three months operating expenses, unless special conditions apply.
- v. Special revenue grant funds lapse at the end of the applicable grant period, which is typically July 1-June 30 for state and local grants, and September 1 – August 31 for federal grants. For these grant funds, unexpended balances typically must be returned to the granting agency.

VIII. Budgeting

A. Annual Operating Budget

- i. Budget Development Process
 - a. Section 2.2.1 of the Town’s General By-Laws requires that the Town Manager issue budget guidelines and instructions for departments to use in preparing their spending requests for the ensuing fiscal year, after consultation with the Finance Committee.
 - b. The Town Manager and School Superintendent must provide the Finance Committee with copies of their departmental spending requests on or before the second Wednesday in December.
 - c. The Town Manager is required to present a balanced budget proposal, in which revenues equal expenditures, to the Finance Committee no later than January 31, after consultation with the Board of Selectmen and School Committee, which includes the spending priorities of all Town departments, and in addition thereto, the voted School Committee budget, if different from that contained in the balanced budget proposal.
 - d. The Commonwealth of Massachusetts further requires that the final, recommended budget be submitted to the Finance Committee no less than 10 days before the end of the calendar year, or not less than 90 days prior to the date of the start of annual Town Meeting, whichever is later. (M.G.L Chapter 41, Sect. 59)
 - e. The Town Manager’s budget recommendation is not binding on the Finance Committee; the Finance Committee is responsible for recommending a balanced budget to Town Meeting for its consideration and vote. (In Weston, the annual Town Meeting is held during the first week in May.)
 - f. The School Committee in each city and town also is required to review and approve the budget for public education in the District. (M.G.L Chapter 71 Sect. 37) A public hearing on the proposed school budget is required, and must be advertised at least one week prior in a newspaper of general circulation. (M.G.L Chapter 71, Sect. 38N)
 - g. School Committee Policy #DB and DBD further stipulate that, the School Committee delegates responsibility for budget preparation to the Superintendent, who is to be assisted by the Assistant Superintendent for Finance and Operations:

1. Principals, department heads and staff are required to prepare preliminary budget requests, based upon the above assumptions, and to present these requests to the Superintendent for review.
2. The Superintendent must present a preliminary budget recommendation to the School Committee which will receive the joint evaluation of a School Committee Budget Subcommittee, the School Committee, the Superintendent and the Assistant Superintendent for Finance and Operations.
3. A hearing on the proposed budget is required, prior to which citizens are to be informed of the budget contents.
4. A presentation of the School Committee's budget will be made to all Town residents prior to Annual Town Meeting.
5. The Committee must send a summary of the proposed budget to all residents at least 15 days prior to a public hearing.

ii. Budget Appropriation & Amendments

- a. The operating budget, as enacted by Town Meeting establishes the overall School Department appropriation.
- b. Although the School Committee has the legal authority to move funds within its appropriation, the total school appropriation may only be amended by Special Town Meetings that occur during the year.
- c. At year-end, operating budget appropriation balances lapse. Capital budget balances are available until expended.

B. Capital Budget:

i. Capital Budget Process

- a. The capital budget process closely follows the operating budget process.
- b. The School Committee prepares capital budget requests, which are submitted to the Town Manager for the ensuing fiscal year and subsequent four-year period.
- c. The Town Manager develops a preliminary funding recommendation, after consultation with the Board of Selectmen.
- d. The Selectmen transmit the recommended capital budget to the Finance Committee.

- e. Capital improvements are defined as the acquisition, construction, renovation, betterment or improvement, involving land, public buildings and facilities; water and sewer system laterals, mains and appurtenances; and equipment or vehicles; provided the total cost is \$25,000 or more, and the improvement will have a useful life of five years or more, or any planning, feasibility, engineering or design study, in preparation for such capital expenditures.
- f. The first year of the Capital Improvements Program shall constitute the proposed Capital Improvements Budget for the coming year, and the ensuing four years of the plan are included for planning purposes

ii. Capital Improvement Plan

- a. The Capital Improvement Plan shall include:

- 1. a list of all capital improvements proposed to be undertaken during the next five years, together with supporting data;
- 2. cost estimates, methods of financing, and recommended time schedule; and
- 3. the estimated annual cost of operating and maintaining any facility to be constructed or acquired.

iii. Operating & Capital Budget Approval

- b. The Finance Committee's recommendation for both the operating and capital budgets is considered the main motion to be acted upon by Town Meeting.

iv. Fiscal Year

- a. The fiscal year for all towns in the Commonwealth begins on July 1st and ends the following June 30th. (M.G.L Chapter 44, Sect. 56)

C. Special Revenue Grant & Revolving Funds:

i. Revolving Funds

- a. State law allows the School Committee to charge fees or receive monies in connection with certain other school activities, the receipts of which also are held separately (in revolving funds.) Of these revolving funds, only the School Transportation Revolving Fund (a departmental revolving fund established under M.G.L Chapter 44 Sect. 53E1/2) requires annual appropriation by Town Meeting; all others may be spent without further appropriation, once the fund is established. (M.G.L Chapter 40 Sect. 3; Chapter 44 Sect. 53; Sect.17A; Chapter 71 Sect. 26C; Sect. 47; Sect. 71C; Sect. 71E; Sect. 71F; Chapter 71B Sect. 12; Ch 548 of Acts of 1948.)

- b. Revolving Fund operational budgets are prepared and approved for all fee-based revolving fund programs in the winter and spring of each year, for the upcoming school year.
- c. Certain revolving funds are reauthorized each year at Annual Town Meeting, which sets the limit on the total amount which may be spent from each fund at that time. The aggregate for all departmental revolving funds may not exceed 10% of the amount raised by taxation by the City or Town in the most recent fiscal year, and no more than 1% of the amount raised by taxation may be administered by a single fund. (M.G.L Chapter 44 Sect. 53E1/2.)
- d. The School Committee approves all revolving fund fees for the ensuing fiscal year, based on the approved operating budget of each activity.

ii. Gifts & Grants

- a. Under state law, School Committees may receive grants or gifts for educational purposes, which are held in separate accounts, and, once accepted (by vote of the Committee), may be expended without further appropriation. (M.G.L Chapter 71 Sect. 37A, M.G.L Chapter 44 Sect. 53A.)
- b. Upon acceptance, the School Department reviews and approves the budgets of all state and federal grants, as well as the budgets of significant local grants.
- c. The School Department does not budget donations or miscellaneous local grants School Fund Structure.

Part II Internal Control Procedures

IX. GENERAL ACCOUNTING PROCEDURES - In this section, procedures are described for the overall accounting system design, accounting activity, and closeout of the accounts at year-end.

1. Overall Accounting System Design

Control Objective - To establish a coding structure that supports financial reporting and decision-making.

Major Controls

- a. The Assistant Superintendent for Finance and Operations is responsible for designing the Chart of Accounts / Coding Structure.
- b. To support the decision making, the Assistant Superintendent for Finance and Operations shall be involved in ensuring that Massachusetts Department of Elementary and Secondary Education (DESE) guidelines, as updated July 1, 2001, are used for recording and reporting purposes using the district's software.
- c. Expenditures will be correctly categorized within the Chart of Accounts upon initial posting.

2. General Accounting Activity

Control Objective - To ensure that all accounting entries are current, accurate, and complete.

Major Controls

- a. Timeliness of Entries - All entries are made soon after the underlying accounting event to ensure the financial record and reporting are accurate.
- b. Internal Consistency – an integrated financial management system is used, which is shared by all Town Departments, including the School Department.
- c. Support Documentation - All entries are supported by adequate documentation that clearly shows the justification and authorization for the transaction. Forms are properly designed to capture all relevant information.

Audit Trail - A complete paper trail should be kept so that the auditors will be able to reconstruct and / or justify all entries.

3. Procedures

- a. Payment requests are verified against original source documentation (e.g., invoice, purchase order, etc.) by the Bookkeepers before entering into the software system and before payment is made.

- b. Each entry in the accounting software is reviewed and approved by the Assistant Superintendent for Finance and Operations.
- c. Non-recurring entries, such as for correcting entries, are prepared by the Bookkeeper and approved by the Assistant Superintendent for Finance and Operations as circumstances warrant and submitted to the Town Accountant within two business days of preparation. Documentation shall be attached to all such correcting entries.

4. Account Reconciliation and Close-out

Control Objective - To ensure the accuracy of financial records and reports.

Major Controls - Reconciliation of all accounts and sub-accounts

Procedures

- a. Reconciliation of Weston Public Schools’ records and the records of the Weston’s Town Accountant occurs monthly.
- b. The Weston Public Schools’ Student Activity Bookkeepers shall ensure that each account is reconciled to the balances carried by the Town Accountant on a monthly basis, sending a copy to the Assistant Superintendent for Finance and Operations.
- c. The Head Bookkeeper shall ensure that the Revolving Accounts are reconciled to the balance carried by the Town Accountant on a monthly basis, sending a copy to the Assistant Superintendent for Finance and Operations.
- d. At fiscal year-end and after the annual audit, all accounts are closed out and the balances of revolving funds and grants are agreed to the audited financial statements.

X. CASH MANAGEMENT PROCEDURES - In this section, procedures are described for cash receipts.

A. Cash Receipts

Control Objective - To record receipts completely and accurately and to prevent the diversion of cash assets.

Major Controls

- a. Cash Receipts Procedures - The Weston Public Schools has internal control systems in place to monitor cash receipts and to ensure that deposits are made in a timely manner.
- b. Internal Accounting Controls
 - 1. Opening of mail assigned to an employee with responsibilities independent of access to files or documents pertaining to accounts receivable or cash accounts.

2. Listed receipts and credits compared to accounts receivable and bank deposits.
3. Checks and money orders are to be made payable to Weston Public Schools.
4. Cash and other receivables should be turned over upon receipt to the School Bookkeeper for processing. If immediate turnover is not possible funds should be safeguarded in a safe or locked cash box and turned over the next business day. Checks are marked with a restrictive endorsement upon receipt.
5. All funds must be deposited upon receipt.
6. Accounts are reconciled with balances carried by the Town Accountant.

XI. GRANT RECEIVABLE PROCEDURES

A. Grant Writing

Control Objective - To ensure that grant funding is pursued to the greatest extent possible.

Major Controls

- a. The Assistant Superintendent for Curriculum has been assigned as the point person on all grants.
- b. The Head Bookkeeper provides accounting records for all approved grants to the grant managers on a monthly basis with a copy provided to the Assistant Superintendent for Finance and Operations.

Procedures

- a. All information relative to grant opportunities is funneled to the Assistant Superintendent for Curriculum.
- b. The District shall pursue grant funding opportunities that are consistent with District goals and objectives.

B. Grant Management - Entitlement and Competitive Grants

Control Objective - To ensure that entitlement and competitive grants are managed according to applicable state, federal and local laws, regulations, by-laws and ordinances.

Major Controls

- a. The Assistant Superintendent of Curriculum distributes the applications for entitlement grants to the appropriate administrator.

- b. The administrator will consult with the Superintendent to ensure that the proposed application is appropriate, given the requirements of the grant and the fiscal needs of the district.
- c. Care will be taken to ensure that any application prepared for submission will adhere to all laws and regulations, paying particular attention to the requirements relative to non-supplanting.
- d. The administrator will complete the grant application, ensuring that any positions within such grant application are specified at salary rates listed in collective bargaining agreements, if appropriate. The development of the budget will be done in conjunction with the Assistant Superintendent for Finance and Operations.
- e. When the grant application has been completed, the administrator completing the application will meet with the Assistant Superintendent for Curriculum, the Assistant Superintendent for Finance and Operations and the Superintendent to review.
- f. The Superintendent will review the application and sign three copies in blue ink. In the Superintendent's absence, the Assistant Superintendent for Finance and Operations will sign the grant application.
- g. The administrative assistant to the Assistant Superintendent for Curriculum will make the required copies of the grant and arrange to have the needed copies submitted via certified mail or its equivalent.
- h. The administrative assistant to the Superintendent will send a copy of the signed grant application to the Assistant Superintendent for Curriculum, the grant author, and the Assistant Superintendent for Finance and Operations.
- i. The Assistant Superintendent for Finance and Operations will file a copy of the grant.

C. Grant Amendments

Control Objective - To ensure that grant amendments are filed according to applicable state, federal and local laws, regulations, by-laws and ordinances.

Major Controls

- a. Any proposed amendments to grants, either entitlement or competitive, must be discussed with the Superintendent prior to preparation.
- b. After consultation with the Superintendent, the grant administrator may prepare a draft of the amendment.

- c. The grant administrator must then meet with the Assistant Superintendent for Finance and Operations to ensure that the proposed amendment can be accomplished within the remaining fund balances.
- d. After the Assistant Superintendent for Finance and Operations has reviewed the amendment document, the form shall be submitted to the Superintendent for signature.
- e. The Superintendent shall sign three copies of the proposed amendment in blue ink. In the Superintendent's absence, the Assistant Superintendent for Finance and Operations will sign the grant application.
- f. The administrative assistant to the Assistant Superintendent for Curriculum will make the required copies of the amendment and arrange to have the needed copies submitted via certified mail or its equivalent.
- g. The administrative assistant to the Assistant Superintendent for Curriculum will send a copy of the signed amendment request form to the Assistant Superintendent for Curriculum, the grant author / administrator, and the Assistant Superintendent for Finance and Operations.
- h. The administrative assistant to the Assistant Superintendent for Curriculum will file a copy of the amendment request in the notebook containing pending grant applications and provide a copy to the Assistant Superintendent for Finance and Operations.
- i. The Assistant Superintendent for Finance and Operations will file a copy of the amendment.
- j. When approval of a grant amendment arrives, the administrative assistant to the Assistant Superintendent for Curriculum shall make copies of it and distribute those copies to the Assistant Superintendent for Curriculum, the grant author/administrator, and the Assistant Superintendent for Finance and Operations.

D. Requesting Grant Payments

Control Objective - To ensure that requests for funds (RFF) are filed according to applicable state, federal and local laws, regulations, by-laws and ordinances.

Major Controls

- a. The grant administrator will work with Head Bookkeeper and the Assistant Superintendent for Finance and Operations to monitor the expenditure of funds.
- b. The Assistant Superintendent for Finance and Operations shall be responsible for requesting additional funds from DESE on a monthly basis and the Federal Government as needed.

- c. The Assistant Superintendent for Finance and Operations shall ensure that the final grant payment is requested in a timely manner so that the Town Treasurer, prior to the close of the fiscal year, will have received all funds.
- d. The grant administrator will work with the Assistant Superintendent for Finance and Operations to ensure that the grant is reconciled to the balances carried by the Town Accountant at the end of each month.
- e. The Assistant Superintendent for Finance and Operations shall submit the final financial report on the grant within 45 days after the end of the project.

XII. PAYROLL PROCEDURES

Payroll procedures are organized under six categories: personnel requirements, personnel data, timekeeping, and preparation of payroll, submission of payroll, distribution of checks or statements.

A. Personnel Requirements

Control Objective - To ensure that the School hires only those employees, full or part-time, it absolutely needs and exerts tight control over hiring new employees.

Major Controls

Payroll Procedures

- a. The School has adopted payroll procedures for adding new employees on the payroll system and removing terminated employees from the system, as well as monitoring vacation and sick pay.

Procedures

- a. New Employees
 1. Request for new employees are initiated by the building principal or supervisor and submitted to the Superintendent of Schools.
 2. The Superintendent shall review the request to ensure that it falls within the approved School Committee budget.
 3. A Criminal Offender Records Inquiry (CORI) is completed prior to the hiring of any new employee and contractors.
 4. Any individual being considered for a position shall ensure that there is a complete application packet on file. That packet shall include the following:
 - Letter of Application
 - Resume

- Letters of Reference
- Certification / License (when appropriate)
- Transcripts (when appropriate)

5. References shall be checked prior to hiring.
 6. Any individual being hired shall receive a letter from the Superintendent detailing the position, salary step, pertinent collective bargaining agreement or individual contract, actual salary, and date of hire.
 7. The individual being hired shall sign the letter of hire accepting the position and return the signed copy to the Human Resource Director.
 8. The individual being hired shall be given, and shall acknowledge receipt of (in writing), copies of the following:
 - Harassment Policies (Sexual, Racial, Disability, Gender, Sexual Preference);
 - Internet Acceptable Use Policy;
 - E-mail Policy;
 - Anti-Bullying Policy; and
 - Restraint Policy.
 9. The individual being hired shall complete an IRS W-4 Form and a Massachusetts Form M-4. Copies of a social security card, driver's license, and/or passport shall be provided to the Administrative Assistant to the Human Resource Director.
 10. The individual being hired shall complete all necessary paperwork with regard to retirement.
 11. The individual being hired shall complete all necessary paperwork with regard to insurance, if it is appropriate.
 12. An individual will be entered onto the payroll only after all of the above steps have been completed.
 13. The Human Resource Director shall notify the Technology Director so that an e-mail account can be established and a laptop assigned.
- b. Vacation and Sick Pay
1. Employees accrue vacation time based on either their collective bargaining agreement or his/her individual contract.

2. Employees must secure the approval of their supervisors in advance of taking time off. Under usual circumstances, this approval should be secured two weeks in advance.
3. Regular part-time employees will earn vacation time as detailed in the applicable collective bargaining agreement or in his/her individual employment contract. Usually this vacation time is on a pro-rated basis.
4. Employees' vacation balances are adjusted to reflect vacation time taken.
5. Sick leave taken is monitored against each employee's available time and is recorded on a weekly basis.
6. The Human Resource Director, in conjunction with the Payroll Office, monitors vacation and sick time by maintaining individual records for each individual.
7. Unused vacation time and/or sick time is based on collective bargaining agreements, individual contracts, and state law.

c. Non-renewals

1. The appropriate Principal and the Superintendent of Schools will sign letters of non-renewal.
2. Such letters will be given to the non-renewed individual by June 1 of any given year. The letter will be handed to the individual personally.
3. The Principal shall require the individual to sign the bottom of the letter acknowledging receipt of the letter. If the individual refuses to sign the letter, the principal shall bring in a witness to document the fact that the individual has refused to sign the letter acknowledging receipt. The witness shall sign and date a statement verifying the fact that the Principal has delivered the non-renewal letter and that the recipient has refused to sign acknowledging its receipt.
4. The Principal shall return the non-renewal letter (signed by the recipient or documented by a witness as having been given to the recipient) to the Human Resource Director immediately.
5. The Human Resource Director shall notify the Assistant Superintendent for Finance and Operations and Payroll that the individual has been non-renewed.
6. The Assistant Superintendent for Finance and Operations shall remove the individual from the payroll effective June 30, or after the last payroll run of the school year, as appropriate.

7. Town Hall handles all issues relative to insurance, direct deposit, COBRA, pension, etc. for an individual who has not been renewed.

d. Terminations

1. Any time an administrator or supervisor is considering terminating an employee, the Superintendent, Assistant Superintendent for Finance and Operations and Human Resource Director shall be notified immediately.
2. The administrator or supervisor and the Superintendent shall immediately consult with the School Committee's legal counsel to ensure that all appropriate steps are taken relative to the termination.
3. The Assistant Superintendent for Finance and Operations shall arrange with the Town Accountant to cut a final check in compliance with state law.
4. The Human Resource Director shall notify the Town Human Resource Director that the individual has been terminated.
5. The Payroll Office, under the direction of Assistant Superintendent for Finance and Operations, shall remove the individual from the payroll according to the advice of the School Committee's legal counsel.
6. Town Hall handles all issues relative to insurance, direct deposit, COBRA, pension, etc. for an individual who has not been terminated.

B. Personnel Data

Control Objective - To calculate and record payroll data accurately and completely for all employees.

Major Controls

- a. Internal Accounting Controls
- b. A precise paper trail covering all transactions is required.
- c. The Superintendent approves changes in personnel data.
- d. Separate payroll and personnel files periodically reviewed and reconciled.

Procedures

- a. Changes to personnel data are initiated with a “Salary Change Form” which is signed by the Assistant Superintendent for Finance and Operations.
- b. A copy of the signed “Salary Change Form” is sent to the Town Human Resource Director whenever a change is made.
- c. The Payroll Office, under the direction of the Assistant Superintendent for Finance and Operations, processes the authorized changes to the payroll data.
- d. A copy of the “Salary Change Form” is retained in the employee’s personnel file.

C. Timekeeping

Control Objective - To ensure that payment for salaries and wages is made in accordance with documented time records.

Major Controls

- a. Timekeeping Procedures - Employees are instructed on the proper charging of time to assure the accuracy of recorded time to cost objectives.
- b. Time Sheet - Labor hours are accurately recorded and any corrections to timekeeping records, including the appropriate authorizations and approvals, are documented.
- c. Internal Reviews - The Assistant Superintendent for Finance and Operations monitors the overall integrity of timekeeping.
- d. Internal Accounting Controls - Reconciliations of hours charged on time sheets to attendance records are made on a weekly or semi-monthly basis, depending on the pay period of the employee.

Procedures

- a. Time Sheet Preparation
 1. Time sheets for hourly employees are prepared on a weekly basis.
 2. In preparing time sheets, hourly personnel will:
 - i. Enter hours in ink, or electronically.
 - ii. Make all corrections in ink by crossing out the error and initialing the change
 - iii. Submit the completed time sheet to the appropriate supervisor for approval.
 3. In preparing attendance sheets for salaried personnel, the clerical personnel will:
 - i. Enter attendance in ink, or electronically.

- ii. Make all corrections in ink by crossing out the error and initialing the change.
- iii. Submit the completed attendance sheet to the appropriate supervisor for approval.

b. Approval and Collection of Time Sheets

1. Timesheets for all hourly personnel are forwarded to Payroll Office on a weekly basis. The time frame ensures that all timesheets are submitted in a timely manner.
2. The authorized forms are submitted to the Payroll Office for processing.
3. All attendance sheets for salaried personnel are submitted to Payroll Office on a semi-monthly basis.
4. Attendance is recorded in the individual record of each salaried employee after verification that personal days and sick days fall within the number available for each.

c. Reconciliation of Payroll to Time Sheets

1. Hours shown on time sheets are reconciled to the hours recorded on the payroll forms by Payroll Office.
2. The Payroll Office will reconcile Timesheets submitted for substitutes to the attendance forms submitted for salaried employees.

D. Preparation of Payroll

Control Objective - To ensure that payment of salaries and wages is accurately calculated.

Major Controls – (Internal Accounting Controls) - Time records are reconciled with payroll records twice a month by Human Resource Director. The responsibility for checking the accuracy of payroll calculations is separated from the responsibility for payroll preparation to the extent possible for the size of the district.

Procedures

- a. The school or department administrative assistant or department supervisor forwards approved time sheets to the Payroll Office.
- b. All calculations of total prepared by the individual school or department are checked and verified by the Payroll Office.

- c. The payroll documents are reviewed and approved by the Assistant Superintendent for Finance and Operations for submission to the Town Human Resource Office for processing.

E. Payroll Payment

Control Objective - To ensure payment for salaries and wages by check or direct deposit is made only to employees entitled to receive payment.

Major Controls – (Internal Accounting Controls) - All payroll checks and direct deposit are handled through the Town Accountant's office.

Procedures

- a. After the Town Accountant's office and the Town Treasurer's office have cut payroll checks or direct deposit statements, these are returned to the school district's Payroll Office in sealed envelopes for distribution.
- b. The Payroll Office shall sort the sealed envelopes for distribution.
- c. The Payroll Office shall send each batch of sealed envelopes to the appropriate administrator for distribution to the individual employee.
- d. Each school administrator will monitor those checks or statements, which cannot be delivered to the individual employee and will mail the check or statement to those employees who cannot pick up the check or statement. No checks may be held at the school in excess of 2 business days.

F. Payroll Withholdings

Control Objective - To ensure that payment withholdings are correctly reflected and paid to the appropriate third parties.

Major Controls - Reconciliation of Payment and Payroll Withholdings

Procedures

- a. All payroll withholdings are handled through the Town Human Resource Office, Town Accountant and Town Treasurer.
- b. Copies of the original withholding and benefit election forms shall be maintained in the individual employee's personnel file.
- c. The administrative assistant to the Human Resource Director shall provide employees seeking to change their withholding or benefit elections with the appropriate forms to request these changes from Town Hall.

- d. The Human Resource Director shall serve as an “ombudsman” is assisting school district employees in making changes with Town Hall.

XIII. PROPERTY AND EQUIPMENT PROCEDURES

This section is organized into six parts” P & E acquisitions, record keeping over P & E, depreciation, inventory of P & E, disposal of P & E, and Government-furnished and School-acquired P & E.

A. Property and Equipment (P & E) Acquisitions

Control Objective - To control the acquisition of P & E and completely and accurately record fixed asset acquisitions in order to safeguard fixed assets from loss.

Major Controls

- a. **P & E Acquisitions Tied to Budget** - All acquisitions of property and capital equipment are either designated in the approved budget or subsequently approved by the School Committee.
- b. **P & E Acquisitions Based on Approved Requests** - Official approval is obtained before a P & E purchase is made. This is performed by reviewing the purchase order prepared for the item.

Internal Accounting Controls - Reconcile fixed assets acquisitions with capital expenditure authorizations.

Procedures

- a. The School Committee submits capital budget requests annually for review and approval.
- b. Authorization requests for the acquisition of fixed assets are reviewed and approved by the Superintendent.
- c. Each item of property and equipment received is identified and tagged in a visible area on the asset.
- d. A copy of purchase orders for capital expenditures is entered into the record for proper identification of all fixed assets to be included in the accounting records.
- e. Information on each tagged asset is entered in the fixed asset inventory.

B. Recordkeeping Over Property and Equipment

Control Objective - To record fixed asset acquisitions, transfers and dispositions completely and accurately on a current basis.

Major Controls

- a. Capitalization Policies - The district follows the policy of capitalizing all fixed assets purchased greater than \$5,000.
- b. Fixed Asset Classification - Fixed assets are accounted for by the following classifications: land, building, betterments, furniture, and computer hardware/software.
- c. Complete Record of P & E Acquisition Costs - The fixed asset inventory list contains the full history of each capital asset acquired, original acquisition cost, and any costs incurred to prepare the asset for use.

Procedures

- a. Asset acquisitions, transfers, and dispositions are entered in the fixed asset inventory list on a periodic basis.
- b. The fixed asset inventory list is reconciled with the financial accounts on a periodic basis. Any differences are analyzed and resolved by the Assistant Superintendent for Finance and Operations.

C. Depreciation

Control Objective - To record depreciation expense timely and accurately on fixed assets.

Major Controls - The district records assets when acquired and records the historical cost of these items.

The estimated useful life of district assets is as follows:

Computers	3 years
Office Equipment	5 years
Vehicles	5 years
Office Furniture	7 years
Leasehold Improvements	Lease life or 5 years, whichever is greater
Building Improvements	20 years
Building	30 years

When calculating the current value of an asset, straight-line depreciation over the above estimated useful life shall be utilized.

D. Inventory of Property and Equipment

Control Objective - To ensure that all recorded assets exist and are in use.

Major Controls - Internal Accounting Controls

- a. All property and equipment is tagged when received.
- b. Physical inventories are performed annually.
- c. Differences between physical inventories and amounts recorded on the fixed asset inventory list are analyzed and reconciled annually.

Procedures

- a. The Assistant Superintendent for Finance and Operations secures a printout of the fixed asset inventory list by asset classification. The list is maintained through the Town Treasurer's Office.
- b. An inventory of fixed assets is taken annually.
- c. The physical inventory of fixed assets is compared to the figures recorded on the fixed asset inventory list.
- d. Differences are investigated and resolved by the Assistant Superintendent for Finance and Operations.

E. Disposal of Property and Equipment

Control Objective - To ensure that assets no longer in use are disposed of in accordance with existing policies.

Major Controls - Disposal Policies, The School Committee has adopted policies on the disposition of property and equipment.

Internal Accounting Controls

- a. Use of fixed asset disposal authorization forms.
- b. Disposal or transfer of fixed assets only with proper authorization.
- c. Periodic count of fixed assets that is reconciled with the fixed asset inventory list.

Procedures

- a. A determination is made by school personnel as to the usefulness of a fixed asset.
- b. An asset disposal form is prepared with proper written authorization by the appropriate administrator.
- c. The asset disposal form is reviewed and signed by the Assistant Superintendent for Finance and Operations.
- d. Any proceeds realized from the disposition of these assets are turned over to the Town unless otherwise specified by Town Meeting.

1. Government-Furnished and School-Acquire Property and Equipment

Control Objective - To ensure that Government-furnished and School-acquired property and equipment are properly obtained, used, and managed during the life of a federal or state grant.

Major Controls

- a. Record Keeping - The district maintains detailed records on all property and equipment.
- b. Custody - All Government-furnished and School-acquired property and equipment, when not in use, is stored in a secure area.
- c. Inventory - All Government-furnished and School-acquired property and equipment is inventoried.

Procedures

- a. All Government-furnished and School-acquired property and equipment on Government grants are assigned tag numbers and properly identified with this number in the fixed asset inventory list.
- b. On an annual basis, administrators inventory all property and equipment and ensure that fixed assets are being used for the purpose intended.
- c. The disposition of Government furnished and School-acquired property and equipment is authorized by the Superintendent and reported to the proper Government Agency as required by that agency.

XIV. ACCOUNTS PAYABLE PROCEDURES

This section is organized into three major parts: accounts payable, purchasing, and expense reimbursement.

A. ACCOUNTS PAYABLE

Control Objective - To ensure that invoices are accurately recorded on a timely basis for authorized purchases.

Major Controls

- a. Reconciliation of Accounts Payable Records - Reconciliation of source data is performed periodically to ascertain the accuracy of accounts payable entries.
- b. Internal Reviews - are conducted to determine if duplicate payments or overpayments exist.

Procedures

- a. Authorization of payment for purchases and preparation of warrants for payment.
- b. Invoices are received by the Bookkeeping Office, which forwards a copy of them to the requisitioner for approval.
- c. Approved invoices are forwarded to the Bookkeeping Office.
- d. Invoices are compared to the Purchase Order and the packing list.
- e. The invoice is reviewed for the following:
 - i. The nature, quality, and quantity of goods ordered and the related price.
 - ii. Accuracy of all arithmetic calculations and extensions.
 - iii. Services performed/goods delivered.
 - iv. Completed 30B form if applicable.
- f. The Bookkeepers reviews the above and enters the amounts into the software program.
- g. Completed warrants, with supporting documents attached are prepared for the signatures of the Assistant Superintendent for Finance and Operations.
- h. The School Committee approves the warrants at each meeting and approves the Secretary to the Committee to sign the Certification of Warrants.

Purchase Discounts

- a. The Bookkeeper or the Assistant Superintendent for Finance and Operations shall establish all vendors within the accounting system upon initial use of the vendor. All vendors should provide verified street address and valid federal tax ID or social security number through the submission of a W9 form.
- b. The Bookkeepers reviews the invoice for any purchase discount date and ensures that the vendor file is established and properly capturing the discount period.
- c. The Bookkeeper review the invoice for contracted prices to ensure the vendor is charging the agreed upon price.

Reconciliation of Accounts Payable Records

- a. The Assistant Superintendent for Finance and Operations balances on a monthly basis with the Town Accountant.
- b. Debit balances are resolved appropriately (e.g., an offset against other amounts due the vendor, requesting payment from the vendor, etc.)

B. PURCHASING

Control Objective - To ensure that goods and services are required at fair and reasonable prices and the highest personal standards of conduct are maintained in all relationships with vendors, suppliers, and subcontractors. To ensure that transactions are accurately classified and recorded in the financial records.

Major Controls –

- a. **Purchase Requirements** - The district has developed cost-effective and efficient purchase requirements in order to achieve full and open competition, meeting delivery schedules, controlling inventory and material, and expediting and following up on purchases.
- b. **Required Competition** - The district utilizes the following procurement guidelines:
 1. Contracts under \$10,000 – The district uses sound business practices when procuring goods and services for amounts less than \$10,000.
 2. Contracts from \$10,000 to \$25,000 – The district seeks price quotes from at least three vendors and awards the contract to the responsible vendor offering the supply or service needed for the lowest price.
 3. Contracts greater than \$25,000 – The Assistant Superintendent for Finance and Operations, working in conjunction with the requester, conducts a formal advertised

competition using sealed bids or proposals. An award is offered to the qualified bidder who meets the district's specifications and offers the lowest price.

4. Where possible, the district utilizes the Commonwealth of Massachusetts – state contract, or the cooperative bids solicited by purchasing collaboratives.
- c. **Selecting the Vendor** - The district selects the most responsive and responsible vendor to provide required materials and services, and promotes competition in order to obtain fair and reasonable prices.

Internal Accounting Controls - Implementation of procedures that require the reporting of unethical conduct to the Superintendent and the subsequent restitution of any gain resulting from such conduct.

Procedures

Purchase Requirements - After approval of the annual budget, the Superintendent, or the Superintendent's designee, reviews the district's needs to uncover patterns of orders and opportunity for clustering orders to achieve volume discounts.

In preparing a purchase requisition, the requestor identifies only minimum needs.

Processing Purchase Requisitions

- a. Requisitions are entered and forwarded electronically to the Assistant Superintendent for Finance and Operations for approval.
- b. Purchase orders must include the following:
 - i. A description of items ordered;
 - ii. A cost estimate;
 - iii. The required delivery information;
 - iv. The account to be charged; (DESE guidelines should be used to determine appropriate function and object codes.)
 - v. Signed approval of the Assistant Superintendent for Finance and Operations.

Processing Purchase Orders

- a. Purchase orders, after having been approved by the building principal or other comparable supervisor, are then sent electronically to the Assistant Superintendent for Finance and Operations.
- b. Before a purchase order is sent to a supplier, it is reviewed by the Assistant Superintendent for Finance and Operations for accuracy the dates, account coding, quantities listed, and arithmetic extensions.

- c. The Assistant Superintendent for Finance and Operations or the Superintendent approves purchase orders.
- d. Four copies of the purchase order are printed: Vendor, Business Office, School, and Receiving Copy. One copy is filed numerically by school in the Bookkeeping Office to track outstanding commitments.
- e. The Head Bookkeeper faxes all orders to the vendors.
- f. Two copies are returned to the administrator submitting the purchase order (School and Receiving Copy).

Obtaining Bids and Quotations

- a. The Assistant Superintendent for Finance and Operations ensures that the requesting administrator has obtained and documented the required quotations on transactions no expected to exceed \$10,000, and has obtained these in writing for transactions between \$10,000 and \$25,000. All of these require the attachment of the required documentation. Items greater than \$25,000 will require formal bid requests and evaluation before the purchase order is issued.
- b. In evaluating bids received, the recommending administrator performs and documents a cost or price analysis for submission to the Assistant Superintendent for Finance and Operations.

Negotiation and Award - Awards may be made to other than the low bidder in circumstances where the higher bid demonstrates best value contracting procedures to the district (can use M.G.L Chapter 30B as guide). In such situations, the Assistant Superintendent for Finance and Operations shall prepare a justification statement for such awards, furnishing a brief explanation of the factors leading to such a decision.

C. EXPENSE REIMBURSEMENT

Control Objective - To ensure the district pays for only authorized business expenses.

Major Controls

Travel Policies - Collective bargaining agreements and individual contracts address the issue of travel reimbursement.

Employee Expense Reimbursement Documentation - Employees are required to obtain and furnish documentation for all individual expenses.

Internal Accounting Controls

- a. Justification for travel approved by Assistant Superintendent for Curriculum or the Superintendent.
- b. Documentation for incurred employee expenses.
 - i. An employee who seeks reimbursement for authorized travel expenses completes a travel report detailing the expenses incurred, attaching copies of supporting documentation.
 - ii. If payment was made by check, copies of both the front and back of the cancelled check must be provided.
 - iii. The employee's travel report reimbursement request is reviewed and approved by the Assistant Superintendent for Finance and Operations.
- c. A credit card may only be issued to the Superintendent and/or the Assistant Superintendent for Finance and Operations at the approval of the Town Treasurer. The credit limit is determined by the Town Treasurer.
- d. All reimbursement requests must be submitted within the fiscal year in which the expenditure was made.

XV. MANAGEMENT REPORTING PROCEDURES

In this section, procedures are covered for supporting the annual budget and financial reporting.

A. ANNUAL BUDGET

Control Objective - To support effectively the preparation of the annual budget and its periodic review.

Major Controls

Budget Process

The building administrators develop budget requests utilizing input from their faculties and School Councils. These requests shall include requests for operating budgets. The budgets are submitted to the Superintendent, through the Assistant Superintendent for Finance and Operations. After compilation of the requests, the Superintendent shall forward them to the School Committee for initial approval.

Internal Accounting Controls - Accuracy and completeness of the budget and projections.

Procedures

In preparation of the annual operating and capital budgets, the building administrators consult with faculty members and his/her School Council. Requests for additional resources and / or significant programmatic changes shall be submitted in priority order.

Building administrators shall meet with the Superintendent and the Assistant Superintendent for Finance and Operations to discuss the initial requests.

The Superintendent shall prepare the initial budget request, compiling the requests from the district administrators.

The Superintendent shall submit this preliminary budget request to the School Committee for its consideration.

After consultation with the Finance Committee, the School Committee will adopt a final budget request to be submitted to Town Meeting for approval.

FINANCIAL REPORTING

Control Objective - To ensure the accuracy, completeness, and timeliness of financial reporting to support decision-making.

Major Controls

Schedule - Monthly managerial reports are prepared.

Review and Approval - Financial reports are reviewed for accuracy and completeness.

Audit - A certified public accounting firm audits the annual financial reports of the district.

Procedures

- a. The Head Bookkeeper, under the direction of the Assistant Superintendent for Finance and Operations shall prepare periodic financial reports for the building principals and other administrators.
- b. The administrators will review the reports for accuracy.
- c. The Superintendent shall report any significant trends to the School Committee.
- d. If necessary, the School Committee will approve transfers from one account to another.
- e. The district submits to an audit of its financial statements by a qualified certified public accounting firm as required by law.

PAYROLL TAX COMPLIANCE

Control Objective - To prepare and file required tax documents accurately and on a timely basis.

Major Controls - This section is not applicable to the Weston Public Schools because this function is handled exclusively by the Town.

Appendix A

Athletic Program

Athletic Monies

Procedures for Handling Athletic Monies

1. The Athletic Director will secure two-part coupon tickets on rolls for utilization at games.
2. The Athletic Director will write and initial the starting ticket number (s) on a copy of one of the attached sheets.
3. The Athletic Director will recommend the hiring of a Financial Manager with the roll of two-part tickets and the sheet described in #2 above, plus a duplicate sheet for reconciliation purposes.
4. The Financial Manager will sell tickets by giving one part of the coupon in exchange for the approved price and retaining (attached to the roll) the other half of the ticket.
5. After ticket sales have been completed, the ticket seller will record the number of the final ticket sold on the reconciliation sheet and initial that number. The Financial Manager will then enter both starting and ending numbers on the duplicate reconciliation sheet.
6. The Financial Manager will give the original reconciliation sheet to the Athletic Director and bring the duplicate reconciliation sheet and the money to the Bookkeeper's safe to complete the total cash reconciliation.
7. On the next school day, the Financial Manager will give the Athletic Director the money, the completed reconciliation sheet, and the ticket roll. If there are any discrepancies, they will be identified and addressed at this time.
8. The Athletic Director will provide copies of the reconciliation to the Bookkeeper.
9. The Athletic Director will also provide the Bookkeeper with the ticket coupons/receipts in an envelope (dated by function) to support the reconciliation sheet.
10. The Bookkeeper will verify the ticket coupon / receipt numbers with the reconciliation sheet.
11. The Bookkeeper will file the reconciliation sheets in a notebook and place the envelope containing the ticket coupons / receipts in a file box until the end of the school year.