

FINANCIAL POLICY MANUAL | TOWN OF BARRE

A COMMUNITY COMPACT CABINET INITIATIVE

JULY 2019



DLS
DIVISION OF LOCAL SERVICES
MA DEPARTMENT OF REVENUE

PREPARED BY:

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July 2, 2019

Board of Selectmen
Town of Barre
40 West Street
Barre, MA 01005

Dear Board Members,

I am pleased to present the enclosed set of financial policies for the Town of Barre as part of the Baker-Polito Administration's Community Compact Cabinet initiative. This collaborative program strives to create clear mutual standards, expectations, and accountability for both the state and municipalities. It is my hope that our guidance provides direction and serves as a resource for local officials as we build better government for our citizens.

If you have any questions regarding the report, please contact Zack Blake, Technical Assistance Bureau Chief, at (617) 626-2358 or blakez@dor.state.ma.us.

Sincerely,

A handwritten signature in black ink, appearing to read "Sean R. Cronin".

Sean R. Cronin
Senior Deputy Commissioner

INTRODUCTION

At the board of selectmen's request, the Division of Local Services Technical Assistance Bureau (TAB) created a financial policy manual for the Town of Barre. This project was a result of the Community Compact Cabinet (CCC) initiative (www.mass.gov/ccc), whose goal is to encourage the implementation of municipal best practices that promote good governance by fostering efficiency, accountability, and transparency in local government.

In requesting the CCC project, the select board sought guidance for formalizing sound budgetary practices, as well as recommendations for enhancing the set of financial procedures adopted by the town in 2014. Accordingly, the first section of the new manual contains policies concerned with financial planning, while those in the second half relate to day-to-day operations. Having discovered through interviews that various provisions and forms in the existing manual were never implemented, for some of the more complex operational policies (e.g., Revenue Turnover, Expenditures), we also created step-by-step procedures using a table format that matches internal controls with operational objectives. The forms we include in the appendix are those from the 2014 manual that we believe to be in use currently, but town officials should review and update them as needed.

Please note that specific town meeting actions will be required before Barre may adopt the following two policy topics with the full text provided in the manual.

Tax Enforcement: This policy refers to tax title payment agreements, which require a bylaw for implementation per [M.G.L. c. 60, § 62A](#). The following text may serve as a template:

Chapter X: Payment Agreements for Properties in Tax Title

- X.1.1 Pursuant to the provisions of M.G.L. c. 60, sec. 62A, the Treasurer/Collector will pursue and establish a written payment agreement with any person(s) entitled to redeem ownership of parcels taken by the Town for nonpayment of real estate taxes ("redeemer").
- X.1.2 Tax title categories eligible for payment agreements include [*specify criteria here, based on amount owed, assessed property value, length of delinquency, and/or any other criteria*].
- X.1.3 At the start of the agreement, the redeemer shall pay 25 percent of the total amount due.
- X.1.4 The agreement's maximum term shall be five years.
- X.1.5 Full compliance with agreement terms will result in a waiver of [*local decision: choose a percent up to 50 percent*] of the tax title account's accrued interest.

Tailings: To resolve the volume of unclaimed checks issued by Barre in the efficient manner presented in the policy, town meeting must accept M.G.L. c. 200A § 9A. In the FY2016 management letter by Barre's external auditor, Powers & Sullivan LLC, the firm referenced Chapter 46, Section 108 of the Acts of 2003 "An Act Providing Relief and Flexibility to Municipal Officials" in its citation; however, this was superseded by the current statute several years ago.

BARRE MASSACHUSETTS

FINANCIAL POLICIES MANUAL



PREFACE

The Town of Barre is committed to safeguarding public funds, protecting local assets, and complying with financial standards and regulations. To that end, this manual of financial policies provides guidance for local planning and decision making. The policies as a whole are intended to outline objectives, provide direction, and define authority to help ensure sound fiscal stewardship and management practices. Each should be periodically reviewed and updated as necessary.

With these policies, the Town of Barre, through its Board of Selectmen, Town Administrator, Finance Committee, and employees, commits to the following objectives:

- Sustaining a consistent level of service and value for residents and businesses
- Safeguarding financial integrity and minimizing risk through a system of internal controls
- Ensuring the quality and maintenance of capital assets
- Conforming to general law, uniform professional standards, and municipal best practices
- Protecting and enhancing the town's credit rating
- Promoting transparency and public disclosure
- Assuring accurate and timely reporting

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FINANCIAL PLANNING POLICIES

ANNUAL AUDIT

PURPOSE

To ensure the reliability, accuracy, and completeness of year-end financial statements and obtain independent verification that proper internal controls are in place to protect public assets, this policy sets guidelines for the Town's annual engagement with an external audit firm.

APPLICABILITY

This policy applies to the Board of Selectmen in its overall responsibility for safeguarding the Town's fiscal health. It further applies to members of the Financial Management Team and any other Town employees whose activities may be audited.

POLICY

The Town commits to having its financial statements audited annually by a certified public accounting firm ("the auditor"). These audited statements shall encompass all Town financial activities, including all major funds, enterprise funds, and aggregated remaining funds. Further, every audit contract will include a requirement to review financial management practices and report on any identified deficiencies in a management letter.

A. Auditor Selection

To ensure the opportunity for periodic new perspectives on financial practices, the Town will solicit competitive bids from audit firms at intervals no greater than every six years. In compliance with statute and the Town's Purchasing policy, the contract will be awarded to the lowest qualified bidder with a good municipal auditing reputation (i.e., "responsive and responsible" vendor). If the Town selects its incumbent auditor, the firm must agree to rotate audit managers.

B. Audit Engagement

The Town Administrator will coordinate the auditor's access to any requested accounting records, written procedures, or other documents. Every department head, official, or employee must respond to any such request timely and make themselves available to answer any auditor questions.

Under the vendor contract, the auditor will be required to provide the Town Administrator with preliminary findings and present final audit and management letter results at a joint meeting of the Board of Selectmen and Finance Committee.

C. Corrective Action Plan

Whenever the auditor identifies a procedural weakness or deficiency, the auditor will describe it in a management letter citation. Upon receiving a preliminary management letter, the Town Administrator will work with financial officers to compose a written response to each citation, explaining the Town's corrective action plan (CAP) for the identified issue(s). This will typically require the Town Administrator and other applicable Financial Team members to identify the citation's root cause(s) and then determine what controls must be implemented to correct them, consulting further with the auditor when necessary.

The Town Administrator will separately provide the Board of Selectmen with a CAP report that explains the plans in more detail, including the responsible parties and anticipated time frames for implementing the controls. Additionally, the status of CAPs will be an agenda item at each monthly Financial Management Team meeting until the Town Administrator is satisfied the new controls are working properly. The Board of Selectmen will hold the Town Administrator and applicable financial officers accountable for any citations that repeat in a subsequent year.

D. Time frames and Reporting

Through adherence with the Reconciliations and Year-end Closing policies, it is the Town's goal to ensure the auditor can complete the audit and management letter by March of the year following the fiscal year-end closing. The Town Administrator will provide copies of the final versions of both reports to the Division of Local Services within two weeks of receipt.

REFERENCES

Barre policies on Procurement Conflict of Interest, Purchasing, Reconciliations, Year-end Closing, and Financial Management Team

MA Office of the Inspector General guidance: [*A Local Official's Guide to Procuring and Administering Audit Services*](#)

DLS Best Practice: [*Annual External Audits*](#)

GFOA Guidance: [*Audit Procurement*](#)

EFFECTIVE DATE

This policy was adopted on [date].

CAPITAL PLANNING

PURPOSE

To effectively maintain the Town's infrastructure and protect the value of its capital assets, this policy outlines guidance for planning, reviewing, and coordinating capital improvements. Adherence to this policy will help the Town meet its capital needs despite limited resources.

APPLICABILITY

This policy establishes a framework for long-term capital improvements, sets guidelines and expectations for all Town departments in planning for and requesting capital projects, and outlines consensus budgetary goals for the Board of Selectmen and Finance Committee. It also applies to related job duties of the Town Administrator and Town Accountant.

POLICY

The Town will maintain its physical assets by providing funding in the operating budget to protect its capital investments and minimize future maintenance and replacement costs. To provide and preserve the infrastructure needed for achieving the highest levels of public services and quality of life possible within available financial resources, the Town will maintain an annually updated, five-year plan for capital improvements. The Town will emphasize preventive maintenance as a cost-effective approach to capital reinvestment and replace exhausted goods as necessary.

The Town Administrator is charged to oversee Barre's capital improvement program. This involves maintaining a capital asset inventory, identifying and prioritizing projects, analyzing funding, and creating a long-term financial plan achievable within the Town's budget limitations.

A. Definition of a Capital Improvement

A capital improvement is a tangible asset or project estimated to cost over \$10,000 and to have or to extend five or more years of useful life. These include:

- Real property acquisitions, construction, and long-life capital equipment
- Major improvements to physical infrastructure, such as streets, sidewalks, stormwater drains, and water distribution systems
- Major renovations of existing capital items that extend their useful lifespans, as distinguished from normal operating expenditures
- Planning, feasibility studies, and designs for potential capital projects
- Items obtained under a long-term capital lease
- Bulk purchases of similar items, like software or furniture, with expected useful lifespans of five or more years that, when aggregated, have total costs exceeding the capital threshold

B. Capital Asset Inventory

To support a systematic acquisition and replacement schedule, the Town Administrator will annually update and maintain a detailed inventory of all capital assets, which shall include dates built, acquired or last improved, original costs, current conditions, expected and remaining useful lifespans, depreciated values, extent of use, and any scheduled replacement or expansion dates.

C. Evaluation of Capital Projects

As part of the annual budget process, the Town Administrator will solicit capital project requests from department heads and then evaluate and prioritize them using the criteria below:

1. Eliminates a hazard to public health and safety
2. Required by state or federal laws or regulations
3. Uses outside financing sources, such as grants
4. Supports adopted plans, goals, objectives, and policies
5. Stabilizes or reduces operating costs
6. Makes better use of a facility or replaces a clearly obsolete one
7. Maintains or improves productivity or existing standards of service
8. Directly benefits the Town's economic base by increasing property values
9. Provides new programs having social, cultural, historic, economic, or aesthetic value

D. Multiyear Capital Improvement Plan

The Town Administrator will annually update and propose to the Finance Committee and Board of Selectmen a five-year capital improvement plan (CIP), including the upcoming fiscal year's capital budget and a four-year projection of capital needs and expenditures that details their estimated costs, descriptions, and anticipated funding sources.

E. Capital Financing

Annually, the Town will strive to maintain three to five percent of the general fund operating budget, net of debt, on capital investment allocations. The CIP shall be prepared and financed in accordance with the following principles:

- Short-term debt may be used to fully finance purchases with useful lifespans of less than 10 years.
- In accordance with Barre's Debt Management policy, the Town will restrict long-term debt funding to projects with lifespans greater than 10 years and costs exceeding \$100,000.
- Before any long-term, bonded capital project is recommended, the project's annual operating costs and debt service costs shall be identified.
- Special revenue sources (e.g., grants, revolving funds) shall be evaluated as funding options whenever practical.
- Major capital projects, such as new construction or major renovations to existing facilities, may be accomplished through capital or debt exclusions.
- Infrastructure or facility maintenance budgets built into the general operating budget will not be reduced to fund other departmental budgets.
- To the extent feasible, all capital projects associated with the Town's water and sewer enterprise operations shall be financed from user fees.

REFERENCES

Barre policies on Debt Management and Financial Reserves

Division of Local Services (DLS) Best Practice: [Presenting and Funding Major Capital Projects](#)

DLS Financial Management Guidance: [Capital Improvement Planning Manual](#) and [Capital Improvement Planning Guide – Developing a Comprehensive Community Program](#)

EFFECTIVE DATE

This policy was adopted on [date].

DEBT MANAGEMENT

PURPOSE

To provide for the appropriate issuance and responsible use of debt, this policy defines the parameters and provisions governing debt management. Policy adherence will help the Town to responsibly address capital needs, provide flexibility in current and future operating budgets, control borrowing, sustain capital investment capacity. It can also help the Town to obtain and maintain a favorable bond rating so as to achieve long-term interest savings.

APPLICABILITY

This policy applies to the budget decision-making duties of the Board of Selectmen, Town Administrator, Finance Committee, Water Commission, Sewer Commission, and Public Works Commission. Further, it applies to the Treasurer/Collector's debt management responsibilities and Town Accountant's budget analysis and reporting duties.

POLICY

Under the requirements of federal and state laws, the Town may periodically issue debt obligations to finance the construction, reconstruction, or acquisition of infrastructure and other assets or to refinance existing debt. The Town will issue and manage debt obligations in such a manner as to obtain the best long-term financial advantage and will limit the amount of debt to minimize the impact on taxpayers. Debt obligations, which include general obligation bonds, revenue bonds, bond anticipation notes, lease/purchase agreements, and any other debt obligations permitted to be issued under Massachusetts law, will only be issued to construct, reconstruct, or purchase capital assets that cannot be acquired with current revenues.

A. Debt Financing

In financing with debt, the Town will:

1. Issue long-term debt only for purposes that are authorized by state law and qualify for tax-exempt bonds and only when the financing sources have been clearly identified.
2. Use available funds to the greatest extent possible to reduce the amount of borrowing on all debt-financed projects.
3. Confine long-term borrowing to capital improvements and projects that cost at least \$100,000 and that have at least 10 years of useful life or whose useful lifespans will be prolonged by at least 10 years.
4. Refrain from using debt to fund any recurring purpose, such as current operating and maintenance expenditures.
5. Consider using revenue bonds, special assessment bonds, or other types of self-supporting bonds instead of general obligation bonds whenever possible.
6. Set user fees to cover capital costs for the water and sewer enterprise operations to the extent practicable.

B. Debt Limits

The Town will adhere to these debt parameters:

1. Total debt service, including debt exclusions and any self-supporting debt, shall be limited to 10 percent of general fund revenues, with a target balance of five to seven percent.
2. As dictated by state statute, the Town's debt limit shall be five percent of its most recent equalized valuation.

C. Structure and Term of Debt

The following shall be the Town's guidelines on debt terms and structure:

1. The Town will attempt to maintain a long-term debt schedule such that at least 50 percent of outstanding principal will be paid within 10 years.
2. The term of any debt shall not exceed the expected useful life of the capital asset being financed and in no case shall it exceed the maximum allowed by law.
3. The Town will limit bond maturities to no more than 10 years, except for major buildings, land acquisitions, and other purposes in accordance with the useful life borrowing limit guidelines published by the Division of Local Services (DLS).
4. Any vote to authorize borrowing will include authorization to reduce the amount of the borrowing by the amount of the net premium and accrued interest.
5. The Town will work closely with its financial advisor to follow federal regulations and set time frames for spending borrowed funds to avoid committing arbitrage, paying rebates, fines and penalties to the federal government, and jeopardizing any debt issuance's tax-exempt status.

D. Bond Refunding

To achieve potential debt service savings on long-term, tax-exempt debt through bond refunding the Town will:

1. Issue debt with optional call dates no later than 10 years from issue.
2. Analyze potential refunding opportunities on outstanding debt as interest rates change.
3. Use any net premium and accrued interest to reduce the amount of the refunding.
4. Work with the Town's financial advisor to determine the optimal time and structure for bond refunding.

E. Protection of Bond Rating

To obtain and maintain a favorable bond rating, the Town will:

1. Maintain good communications with bond rating agencies, bond counsel, banks, financial advisors, and others involved in debt issuance and management.
2. Follow a policy of full disclosure on every financial report and bond prospectus, including data on total outstanding debt per capita, as a percentage of per capita personal income, and as a percentage of total assessed property value.

F. Reporting

1. The Treasurer/Collector will report to the Board of Selectmen and Town Administrator on the Town's debt status at least annually.

2. The Town Accountant will include an indebtedness summary as part of a report on receipts and expenditures in Barre's Annual Town Report.
3. The Town Accountant, with the Town's financial advisor, will file an annual audit report and official disclosure statement within 270 days of the end of the fiscal year.

REFERENCES[M.G.L. c. 41, § 59](#)[M.G.L. c. 41, § 61](#)[M.G.L. c. 44, § 4](#)[M.G.L. c. 44, § 6](#)[M.G.L. c. 44, § 6A](#)[M.G.L. c. 44, § 7](#)[M.G.L. c. 44, § 8](#)[M.G.L. c. 44, § 17](#)[M.G.L. c. 44, § 19](#)[M.G.L. c. 44, § 20](#)[M.G.L. c. 44, § 21A](#)[26 USC § 148](#)

Barre policy on Capital Planning

DLS Best Practice: [Understanding Municipal Debt](#)

DLS Borrowing Guidelines: [Asset Useful Life - Borrowing Limits](#)

DLS Informational Guideline Releases 17-21: [Borrowing](#) and 17-22: [Premiums and Surplus Proceeds for Proposition 2½ Excluded Debt](#)

Government Finance Officers Association Best Practice: [Refunding Municipal Bonds](#)

Internal Revenue Service Guidance: [Arbitrage Guidance for Tax-Exempt Bonds](#)

EFFECTIVE DATE

This policy was adopted on [date].

FINANCIAL RESERVES

PURPOSE

To help the Town stabilize finances and maintain operations during difficult economic periods, this policy establishes prudent practices for appropriating to and expending reserve funds. With well-planned sustainability, Barre can use its reserves to finance emergencies and other unforeseen needs, to hold money for specific future purposes, or in limited instances, to serve as revenue sources for the annual budget. Reserve balances and policies can also positively impact the Town's credit rating and consequently its long-term cost to fund major projects.

APPLICABILITY

This policy pertains to the short- and long-range budget decision-making duties of the Board of Selectmen, Town Administrator, Finance Committee, Water Commission, Sewer Commission, and Public Works Commission. It also applies to the related job duties of the Town Accountant and Board of Assessors.

POLICY

The Town is committed to building and maintaining its reserves so as to have budgetary flexibility for unexpected events and significant disruptions in revenue-expenditure patterns and to provide a source of available funds for future capital expenditures. Adherence to this policy will help the Town withstand periods of decreased revenues and control spending during periods of increased revenues. There are multiple types of reserves, including free cash, stabilization funds, retained earnings, and overlay surplus.

In total for the general fund reserves under this policy, the Town will strive to maintain a minimum funding level of 17 percent of its annual operating budget. Equating to two months' worth of operating expenditures, this is a generally accepted reserve target for small communities with modest budgets and limited access to the bond market.

A. Free Cash

The Division of Local Services (DLS) defines free cash as "the remaining, unrestricted funds from operations of the previous fiscal year, including unexpended free cash from the previous year." DLS must certify free cash before the Town can appropriate it.

To generate free cash, the Town Administrator will propose budgets with conservative revenue projections, and department heads will carefully manage their appropriations to produce excess income and budget turn backs. As much as practicable, the Town will limit its use of free cash to funding one-time expenditures (such as capital projects, snow and ice deficits, or emergencies).

The Town shall set a goal of maintaining its year-end unappropriated free cash balance in the range of three to five percent of the annual general fund budget. The Town will appropriate the excess above this target range to build reserves or to offset unfunded liabilities.

B. Stabilization Funds

A stabilization fund is a reserve account allowed by state law to set aside monies to be available for future spending purposes, including emergencies or capital expenditures, although it may be

appropriated for any lawful purpose. Under M.G.L. c. 40 § 5B, a community may create separate stabilization funds for specific purposes; however, Barre currently has only a general stabilization fund.

The Town will endeavor to gradually increase the amount annually appropriated to the general stabilization fund with the goal of achieving and maintaining a minimum balance of 15 percent of the operating budget. Withdrawals from general stabilization should only be used to mitigate emergencies or other unanticipated events and for one-time capital expenditures. When possible, withdrawals of funds should be limited to the amount available above the 15 percent minimum reserve target level. If any necessary withdrawal drives the balance below the minimum level, the withdrawal should be limited to one-third of the general stabilization fund balance. Further, the Town Administrator will develop a detailed plan to replenish the fund to the minimum level within the next two fiscal years.

C. Retained Earnings

The Water and Sewer Departments' finances are managed under enterprise funds, separately from the general fund, which allows the Town to effectively identify these utilities' true delivery costs—direct, indirect, and capital—and set user fees at levels sufficient to recover them. Under this accounting, the Town may reserve each operation's generated surplus (referred to as retained earnings) rather than closing the amount to the general fund at year-end. Each enterprise reserve will be used to provide rate stabilization and fund major capital projects.

For each of the two enterprise funds, the Town will maintain a minimum reserve amount of 25 percent of the operation's total budget. This represents about three months' worth of expenditures, but whenever any major infrastructure improvements are being planned for either enterprise operation, its minimum target should be revised upward. To maintain the target reserve level for either fund requires its Commissioners to periodically review, and when necessary, adjust user rates.

D. Overlay Surplus

The purpose of the overlay reserve is to offset unrealized revenue resulting from uncollected property taxes, abatements, and exemptions. It can be used for other purposes only after it is determined to have a surplus. Therefore, unlike the other two types of reserves, this policy does not set a consistent, specific funding target for it. Rather, each year as part of the budget process, the Board of Assessors will vote to raise an overlay amount on the annual tax recapitulation sheet based on the following:

- Current balance in the overlay account
- Three-year average of granted abatements and exemptions
- Abatement liability of cases pending before, or on appeal from, the Appellate Tax Board
- Timing of the next DLS certification review (scheduled every five years)

At the conclusion of each fiscal year, the Board of Assessors will submit to the Town Accountant and Board of Selectmen an update of the overlay reserve with data that includes, but is not limited to, the gross balance, potential abatement liabilities, and any transfers to surplus. If the overlay balance exceeds the amount of potential liabilities, the Board of Selectmen may request that the

Board of Assessors vote to declare it as surplus and available for use in the Town's capital improvement plan or for any other one-time expense.

REFERENCES[M.G.L. c. 40 § 5B](#)[M.G.L. c. 59 § 25](#)[M.G.L. c. 44 § 53F½](#)

Barre policies on Capital Planning and Forecasting

DLS Best Practices: [Free Cash](#) and [Special Purpose Stabilization Funds](#)

DLS Informational Guideline Releases 08-101: [Enterprise Funds](#), 17-20: [Stabilization Funds](#) and 17-23: [Overlay and Overlay Surplus](#)

Government Finance Officers Association Best Practices: [Fund Balance Guidelines for the General Fund](#) and [Working Capital Targets for Enterprise Funds](#)

EFFECTIVE DATE

This policy was adopted on [date].

FORECASTING

PURPOSE

To assess the range of choices available to budget decision makers when determining how to allocate resources, this policy establishes guidelines for creating multiyear projections of revenues and expenditures as part of the annual budget process and long-term fiscal planning. Forecasting helps local officials understand the long-range implications of pending near-term decisions. In so doing, a multiyear forecast helps guide forward-looking budget processes that enable the community to avert potential deficits, promote long-term financial health, and strategize for capital investment and community development.

APPLICABILITY

This policy applies to the Board of Selectmen, Town Administrator, and Finance Committee in their budget analysis and decision-making responsibilities. It also applies to the Town Administrator's and Assistant Assessor's job duties.

POLICY

To determine the Town's operating capacity for future fiscal years, the Town Administrator will annually create a detailed forecast with five-year projections of revenues and expenditures. The Board of Selectmen and Finance Committee will use the forecast to support their decision making, for the upcoming year's operating and capital budgets and for the Town's multiyear capital improvement plan. To guard against potential deficits, as a general rule, the Town Administrator will purposely estimate revenues on the low end of possibility.

Early in the annual budget process, the Town Administrator will present the initial forecast to a joint meeting of Board of Selectmen and Finance Committee. Throughout the budget process, these boards will use the forecast to inform their decision making. In addition, the Town Administrator will promptly revise the forecast projections whenever circumstances change and provide updates to the Finance Committee and Board of Selectmen.

With each new budget year, the Town Administrator will review the performance accuracy of prior-year forecasts and any evolving factors related to the underlying assumptions to consider how projections in the new forecast may need to be adjusted. Factors to consider include changes in laws, regulations, inflation rate, interest rate, town goals, and policy decisions.

POLICY

A. Guidelines for Revenue Assumptions

The following principles shall guide the formulation of revenue assumptions:

- Projections of the property tax levy will be confined by the limits of Proposition 2½ (absent any overrides) and take into consideration consensus decisions regarding the Town's level of excess levy capacity.
- New growth projections will take into account the Town's three-, five- and 10-year averages by property class and advice from the Assistant Assessor.
- The levy limit's relationship to the levy ceiling (which is 2.5 percent of the Town's real and personal property total value) will be annually assessed to identify potential override

capacity and guard against the levy limit approaching or hitting the ceiling, which would impact future levy growth.

- Local aid projections will correspond with economic cycles, while Chapter 70 educational aid will reflect trends in school choice, enrollments, tuition, and charter assessments.
- Estimates for local receipts (e.g., motor vehicle excise, inspection fees, etc.) will not exceed 90 percent of the prior year's actual collections without firm evidence that higher revenues are achievable.
- Revenues from grant programs will be reviewed annually to determine their sustainability.
- Rates for the Town's water and sewer enterprise operations will be set at levels sufficient to cover all operating and capital costs so as to minimize any general fund subsidies.
- The water and sewer enterprise funds will reimburse the general fund for indirect costs.
- The Town will build and maintain reserves in compliance with its Financial Reserves policy.

B. Guidelines for Expenditure Assumptions

Annually, the Town Administrator will determine a particular budget approach for forecasting expenditures, either maintenance (level service), level funded, or one that adjusts expenditures by specified increase or decrease percentages (either across the board or by department). A maintenance budget projects the costs needed to maintain the current staffing level and mix of services into the future. A level-funded budget appropriates the same amount of money to each municipal department as in the prior year and is tantamount to a budget cut because inflation in mandated costs and other fixed expenses still must be covered.

The following principles shall guide the formulation of expenditure assumptions:

- The Town's current level of services will provide the baseline for projections.
- Historical trends in the growth of operating expenses and employee benefits will prevail.
- Projections will factor cost-of-living adjustments for employees' salaries/wages.
- The Town will cultivate a strong relationship with the Quabbin Regional School District's School Committee to receive timely, long-term estimates of district assessments.
- The Town will pay its annual pension contributions and make appropriations to amortize its other postemployment benefits liability.
- The Town will pay all existing debt service obligations and adhere to its Capital Planning and Debt Management policies.

REFERENCES

[M.G.L. c. 44, §§ 20, 53A, 53A½, 63, and 63A](#)

Barre policies on Capital Planning, Debt Management, Financial Reserves, Grants Management, and Indirect Cost Allocation

DLS Informational Guideline Release 17-21: [Borrowing](#) and Best Practice: [Revenue and Expenditure Forecasting](#)

Government Finance Officers Association article: [Structuring the Revenue Forecasting Process](#)

EFFECTIVE DATE

This policy was adopted on [date].

INDIRECT COST ALLOCATION

PURPOSE

To apportion all the indirect costs associated with the Town's two enterprise operations in an equitable manner that reflects their true shared costs, this policy provides guidelines for calculating and allocating those costs.

Under authority established in [M.G.L. c. 44 § 53F½](#), the water and sewer utilities' accounting transactions are recorded and managed separately from the general fund. Their revenues and expenses are not commingled with those of any other governmental activity, and consequently there are separate financial statements for each. Consolidating each enterprise program's direct and indirect costs, debt service, and capital expenditures into its own distinct, segregated fund allows the Town to demonstrate to the public the true, total cost of providing the particular service.

APPLICABILITY

This policy applies to the budgetary responsibilities of the Town Administrator, Town Accountant, and Public Works Superintendent. Further, it encompasses the utility-related administrative functions of the Town Accountant, Treasurer/Collector, and Town Administrator Departments.

POLICY

As part of the annual budget process, the Town Accountant will calculate the indirect costs to the general fund of the two utility operations and review the calculations with the Town Administrator and the Public Works Superintendent. Based on the results, the Town Accountant will record transfers between the relevant funds by June 15 each year. The Town Accountant will maintain written procedures detailing the costs and their calculation methodologies.

A. Cost Categories

The calculation of indirect costs will take into account each utility's personnel expenses budgeted in the general fund. Also accounted for will be certain administrative services performed on behalf of the utility departments by other departments, namely:

- Accounts payable, payroll, and general ledger services provided by the Accounting Department
- Collections, banking, investment, tax title, benefits, and payroll services provided by the Treasurer/Collector Department
- Personnel administration services provided by the Town Administrator Department

For these expenses and those listed below, the Town Accountant will calculate indirect costs based on the most recent fiscal year's appropriations and using either the actual, proportional, estimated support, or transactional methodology, as each is outlined on the next page.

The following expenses will be included in the calculations for the Water and Sewer Divisions:

- Benefits for active and retired employees, including insurances, Medicare tax, unemployment, and workers' compensation
- Pensions
- Vehicle insurance

- Property insurance
- Independent audit services
- Actuarial services
- Legal services
- Information technology services and expenses
- Other costs that may be agreed to and documented

B. Explanation of Calculation Methodologies

1. **Actual cost**, as the term implies, involves the identification of specific costs attributable to the enterprise based on documented schedules or bills payable, including debt service and insurance premiums.
2. The **proportional** method is a straightforward calculation of each utility department's net-of-debt budget as percentage of the total combined net-of-debt budget of that utility and the general fund. The resulting percentage is then applied against the total budget (including employee benefits) of each town department that provides support to that given utility or against the total cost of the specific type of expenditure.
3. A department or official may be able to provide a reasonable **estimate of support** (i.e., an estimate of the average time spent to support a particular service). For example, the Town Accountant estimates she spends an average of two hours weekly, or 10 percent of her time, on Water-related activities (e.g., creating warrants, bookkeeping). This percentage is applied against the department's or official's salary and benefits, including health and life insurance, Medicare, retirement and any workers' compensation.

$$\frac{\text{Hours worked on utility activities per year by individual(s)}}{\text{Total hours worked per year by individual(s)}} \times \text{Salary and benefits of individual(s) working on utility activities} = \text{Indirect Departmental Salaries}$$

Any department's or official's expenses related to Water and Sewer activities are charged directly to the Water and Sewer budgets.

4. The **transaction-based** method is calculated based on the number of transactions attributed to a service as a percentage of the whole. An example would be the total water bill collections processed by the Treasurer/Collector's Office as a percentage of the total number of collections of all types processed by that office. This percentage is applied against the Treasurer/Collector's total budget, including health and life insurance, Medicare, retirement, and any workers' compensation attributable to the department.

$$\frac{\text{Number of utility-related transactions}}{\text{Total number of all like transactions processed by the non-enterprise department}} \times \text{Total budget plus benefits of the department processing the utility transactions} = \text{Indirect Departmental Salaries}$$

REFERENCES

DLS Informational Guideline Release 08-101: [*Enterprise Funds*](#)

Government Finance Officers Association Best Practices: [*Indirect Cost Allocation*](#) and [*Full Cost Accounting for Government Services*](#)

EFFECTIVE DATE

This policy was adopted on [date].

INVESTMENTS

PURPOSE

To ensure the Town's public funds achieve the highest possible rates of return that are reasonably available while following prudent standards associated with safety, liquidity and yield, this policy establishes investment guidelines and responsibilities. In addition, the policy has been designed to comply with the Governmental Accounting Standards Board's requirement that every community define and disclose its investment risk management strategy.

APPLICABILITY

This policy applies to the Treasurer/Collector's duties to manage and invest Town funds. If the Town contracts with any investment advisor(s), the Treasurer/Collector will provide this policy to them and verify compliance. The policy's scope pertains to all short-term operating funds and to all long-term reserve, investment, and trust funds, with the exception of the Town's retirement fund, which is managed and invested by the Worcester Regional Retirement System.

POLICY

The Treasurer/Collector will invest funds in a manner that meets the Town's daily operating cash flow requirements and conforms to state statutes governing public funds while also adhering to prudent investment standards. The Treasurer/Collector will manage all investments so as to achieve a fair market average rate of return within the context of all relevant statutory, safety, and liquidity constraints.

A. Investment Objectives

In priority order, the Treasurer/Collector's investment objectives shall be:

- **Safety:** Safety of principal is foremost, and the Treasurer/Collector will adhere to this policy's risk mitigation strategies for the purpose of preserving capital in the overall portfolio.
- **Liquidity:** The investment portfolio must remain sufficiently liquid to enable it to meet all reasonably anticipated operating requirements.
- **Yield:** The investment portfolio will be designed with the objective of attaining a fair market average rate of return throughout budgetary and economic cycles, in accordance with the Town's investment risk constraints and the portfolio's cash flow characteristics.

The Treasurer/Collector will ensure that all **short-term operating funds**, such as general funds, special revenue funds, bond proceeds, and capital project funds remain sufficiently liquid to pay all reasonably anticipated operating requirements and debt service.

For **trusts and other long-term funds** (e.g., stabilization funds, cemetery perpetual care, and any similar funds set aside for long-term use), liquidity is less important than growth. The Treasurer/Collector will pool any individual funds that are invested in the same institution while also maintaining each fund in its own account so as to allow for the proper proportioning of interest and any realized and unrealized gains or losses. All trust funds are under the Treasurer/Collector's control unless otherwise directed by their particular donor(s).

B. Conflict of Interest

The Treasurer/Collector is prohibited from making a deposit in any bank, trust company, or banking company for which he or she is or has been an officer or employee at any time in the last three years. The Treasurer/Collector will refrain from any personal activity that may conflict with the proper execution of the investment program or that could impair or appear to impair the ability to make impartial investment decisions. The Treasurer/Collector will disclose to the Board of Selectmen any large personal financial investment positions or loans that could be related to the performance of the Town's investments. Further, when contracting for any investment services, the Treasurer/Collector will adhere to requirements under [M.G.L. c. 30B](#) and the Town's Procurement Conflict of Interest policy.

C. Investment Instruments

Under this policy, and in compliance with state statutes, the table below defines allowable investment instruments and guidelines.

Instrument Type	Short-term Funds	Long-term Funds
Depository accounts in Massachusetts state-chartered banks, including savings, checking and NOW accounts, and money market deposit accounts	No limitations	No limitations
Certificates of deposit (CDs) in Massachusetts state-chartered banks only	Unlimited amounts and maturity up to three years	No limits on amounts or maturity dates
The Massachusetts Municipal Depository Trust (MMDT) , the State Treasurer's investment pool for public entities.	No limitations and the pool is liquid	No limitations
U.S. Treasury or other U.S. government agency obligations	Unlimited amounts and up to one year from date of maturity	No limitations
Bank-issued repurchase agreements ("repos") secured by U.S. Treasury or other U.S. government agency	Maximum maturity of 90 days	Repos are by their nature short-term and therefore not appropriate for the growth objective of long-term funds.

Instrument Type	Short-term Funds	Long-term Funds
Money market mutual funds	<ul style="list-style-type: none"> ▪ Must be registered with the Securities and Exchange Commission (SEC) ▪ Must have the highest possible rating from at least one rating organization ▪ These are liquid investments, so maturity term is not applicable 	<ul style="list-style-type: none"> ▪ Must be registered with the SEC ▪ Must have the highest possible rating from at least one rating organization
Common and preferred stock, investment funds, and any other type of investment instrument specified in the List of Legal Investments	Not allowed	<ul style="list-style-type: none"> ▪ The Town's aggregate amount of long-term funds must exceed \$250,000 to invest in these. ▪ Investment in mortgages, collateral loans, and international obligations is prohibited. ▪ Cannot invest more than 1.5% of a particular fund in the stock of any single banking or insurance company ▪ Cannot invest more than 15% of total aggregated funds in banking or insurance company stocks

Note: This policy confines the allowed depository accounts only to those offered by Massachusetts state-chartered banks, a provision that is more restrictive than state statutes and the Massachusetts Collectors & Treasurers Association's sample investment policy statement. The reason is that the MA-chartered banks' depository accounts are fully insured through a combination of the Federal Deposit Insurance Corporation and the state's Depositors Insurance Fund. However, funds placed in these banks' mutual funds or annuity products are not covered by either insurance, and the Treasurer/Collector must manage those and any other type of investments in accordance with other applicable provisions of this policy.

D. Risk Tolerance Guidelines

The Treasurer/Collector will employ the following strategies to mitigate the range of investment risks:

Type of Risk	Mitigation Strategy
<p>Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations.</p>	<ul style="list-style-type: none"> ▪ Investments in any of the following are safe from credit risk: state-chartered banks' depository accounts (including CDs), obligations backed by the U.S. Treasury or other U.S. government agency, and the MMDT. ▪ For any other investments, the Treasurer/Collector will only purchase investment grade securities highly concentrated in those rated A or better.
<p>Concentration of credit risk is the risk arising from all funds being invested in a single issuer.</p>	<p>The Treasurer/Collector will diversify the portfolio among multiple issuers/institutions (see Section E).</p>
<p>Custodial risk for deposits is the risk that, in the event of the failure of a depository financial institution, the Town would not be able to recover deposits or to recover collateral securities in the possession of an outside party.</p>	<p>The Treasurer/Collector will negate this risk by only making deposits at MA-chartered banks.</p>
<p>Custodial risk for investments is the risk that, in the event of a failure of the counterparty to a transaction, the Town would not be able to recover the value of an investment or to recover collateral securities in the possession of an outside party.</p>	<ul style="list-style-type: none"> ▪ The Treasurer/Collector will review the financial institution's financial statements and its advisor's background to ensure it has proven financial strength, capital adequacy, and an overall positive reputation in the municipal investment industry (see Section F). ▪ If a security is to be held by a third-party custodian, the Treasurer/Collector must approve that party and verify that the security is held in the Town's name and tax ID number, as evidenced by its CUSIP (Committee on Uniform Security Identification Procedures) code.
<p>Interest rate risk is the risk that interest rate changes will adversely affect an investment's fair market value.</p>	<p>The Treasurer/Collector will negotiate for competitive interest rates that are locked in for long terms.</p>
<p>Foreign currency risk is the risk that an investment will lose value as the result of an unfavorable exchange rate.</p>	<p>The Treasurer/Collector will negate this risk by not investing in any instruments with foreign currency exposures.</p>

E. Diversification

The Treasurer/Collector will invest in a diverse portfolio to prevent overconcentration in any institution, issuer, or maturity type. Apart from money placed in the MMDT or obligations backed by U.S. government agencies, the Treasurer/Collector will invest no more than 25 percent the Town's long-term funds with a single financial institution. In addition, the Treasurer/Collector will ensure compliance with the various allowable percentage thresholds for specific investment instruments and issuers set forth in the List of Legal Investments.

F. Selection of and Relationship with Financial Institutions

When selecting from among MA-chartered banks to hold short-term funds, the Treasurer/Collector will consider their fee structure, service efficiencies, and account management control features. For investing long-term funds, the Treasurer/Collector will also assess the soundness, stability and reputation of prospective financial institutions and dealers/brokers. Brokers must be recognized, reputable dealers and members of the Financial Industry Regulatory Authority. The Treasurer/Collector will require any brokerage houses and brokers/dealers wishing to do business with the Town to provide the following:

- Audited financial statements
- Form ADV Part 2 showing the broker/dealer to be actively registered with both the SEC and Massachusetts Secretary of State's Office and providing information on the types of services offered, fee schedule, disciplinary information, conflicts of interest, and the educational and business background of management and key advisory personnel
- Statement that the broker/dealer has read and will comply with this policy

The Treasurer/Collector will also consult the [Veribanc](#) rating service to select and monitor financial institutions. The Treasurer/Collector may invest in institutions rated green by Veribanc and will continue to review their ratings quarterly. If a bank's rating turns yellow, the Treasurer/Collector will request the bank provide a written explanation with an expected timetable for changing back to green. If the rating remains yellow for a second quarter, the Treasurer/Collector will consider liquidating all funds that are uninsured or uncollateralized. If any rating becomes red, the Treasurer/Collector will remove the money from the banking institution.

The Treasurer/Collector will review all banking and financial services at least annually to ensure their quality and the competitiveness of their fee structure and interest rates. On an annual basis, the Treasurer/Collector will also send letters to banks in the local region requesting them to report all usage of the Town's tax identification number as a means to ensure the number is used only by the Treasurer/Collector and no outside entities.

G. Standards of Care

The Treasurer/Collector must review, understand and comply with the state's Prudent Investor Act ([M.G.L. c. 203C](#)). The Treasurer/Collector shall be relieved of personal responsibility for any individual security's credit risk or market price changes, provided that its purchase and sale have been carried out in accordance with the Act and the provisions of this policy.

H. Reporting Requirements

The Treasurer/Collector will assess investment activity and keep the Board of Selectmen apprised of any major changes by providing a report of investment activity annually or more often as needed. The investment activity report shall incorporate all of the Town's investment funds and include the following information at minimum:

- List of all the individual accounts and securities held at the end of the period
- List of short-term investment portfolios by security type and maturity to ensure compliance with the diversification and maturity guidelines
- Summary of income earned on monthly and year-to-date bases
- Disclosure of the fees associated with managing each fund
- Brief statement of general market and economic conditions and other factors that may affect the Town's cash position
- Statements on the degree of compliance with the provisions of this policy

REFERENCES

[M.G.L. c. 30B](#)

[M.G.L. c. 29, § 38A](#)

[M.G.L. c. 44, § 54](#)

[M.G.L. c. 44, § 55](#)

[M.G.L. c. 44, § 55A](#)

[M.G.L. c. 44, § 55B](#)

[M.G.L. c. 110A, § 201](#)

[M.G.L. c. 167, § 15A](#)

[M.G.L. c. 203C](#)

Barre policy on Procurement Conflict of Interest

Governmental Accounting Standards Board Statement 40: [Deposit and Investment Risk Disclosures](#)

Massachusetts Collectors & Treasurers Association: [Treasurer's Manual](#)

MA Division of Banks [List of Legal Investments](#) and database of [MA-chartered banks](#)

Massachusetts Depositors Insurance Fund [FAQs](#)

MA Secretary of State webpage, [Registration Inspections, Compliance and Examinations Section](#)

SEC webpage [Form ADV Information](#)

EFFECTIVE DATE

This policy was adopted on [date].

OTHER POSTEMPLOYMENT BENEFITS LIABILITY

PURPOSE

To ensure fiscal sustainability, this policy sets guidelines for a responsible plan to meet the Town's obligation to provide other postemployment benefits for eligible current and future retirees. It is designed to achieve generational equity among those called upon to fund this liability and thereby avoid transferring costs into the future.

APPLICABILITY

This policy encompasses OPEB-related budget decisions, accounting, financial reporting, and investment. It applies to the Board of Selectmen, Town Administrator, and Finance Committee in their budget decision-making duties, and it also applies to the OPEB-related job duties of the Treasurer/Collector and Town Accountant.

BACKGROUND

In addition to salaries, the Town compensates employees in a variety of other forms. Many earn benefits over their years of service that they will not receive until after retirement. A pension is one such earned benefit. Another is a set of retirement insurance plans for health, dental, and life. These are collectively referred to as other postemployment benefits, or OPEBs. OPEBs represent a significant liability for the Town that must be properly measured, reported, and planned for financially.

POLICY

The Town is committed to funding the long-term cost of the benefits promised its employees. To do so, the Town will accumulate resources for future benefit payments in a disciplined, methodical manner during the active service life of employees. The Town will also periodically assess strategies to mitigate its OPEB liability. This involves evaluating the structure of offered benefits and their cost drivers while at the same time avoiding benefit reductions that would place undue burdens on employees or risk making the Town an uncompetitive employer.

A. Accounting for and Reporting the OPEB Liability

The Town Accountant will obtain actuarial analyses of the Town's OPEB liability every two years and will annually report the Town's OPEB obligations in financial statements that comply with the current guidelines of the Governmental Accounting Standards Board. The Town Administrator will ensure that the Town's independent audit firm reviews compliance with the accounting and reporting provisions of this policy as part of its annual audits and reports on these to the Board of Selectmen.

B. Trust Management and Investment

The Town has established an OPEB Trust Fund and designated as its trustee the Treasurer/Collector. As fund custodian, the Treasurer/Collector will manage the OPEB Trust Fund in conformance with the Town's investment policy and the state's prudent investor laws. On an annual basis, the Town will analyze its option to invest the OPEB trust with the [State Retiree Benefits Trust Fund](#).

C. Mitigation

On an ongoing basis, the Town will assess healthcare cost containment measures and evaluate strategies to mitigate its OPEB liability. The Town Accountant will monitor proposed laws affecting OPEBs and Medicare and analyze their impacts. The Treasurer/Collector will regularly audit the group insurance and retiree rolls and terminate any participants found to be ineligible based on work hours, active Medicare status, or other factors.

D. OPEB Funding Strategies

To address the OPEB liability, decision makers will analyze a variety of funding strategies and subsequently implement them as appropriate with the intention of fully funding the obligation. The Town will derive funding for the OPEB Trust Fund from taxation, free cash, and any other legal form. To ensure that the Town's water and sewer operations remain self-supporting, the Board of Selectmen will factor their proportional OPEB contributions into the setting of user fees.

Achieving full funding of the liability requires the Town to commit to funding its actuarially determined contribution (ADC) each year. Among strategies to consider for funding the ADC:

- Transfer unexpended funds from insurance line items to the OPEB Trust Fund.
- Appropriate amounts equal to the Town's Medicare Part D reimbursements.
- Determine and commit to appropriating an annual portion of free cash.
- Appropriate an annually increasing dollar amount or percentage of yearly revenues.
- Once the pension system is fully funded, on a subsequent annual basis, appropriate to the OPEB Trust Fund the amount equivalent to the former pension-funding payment.

REFERENCES

[M.G.L. c. 32B, § 20](#) and [20A](#)

[M.G.L. c. 44, § 54](#) and [55](#)

[M.G.L. c. 203C](#)

Barre policy on Investments

Division of Local Services Information Guideline Release 19-10 [Other Postemployment Benefits Liability Trust Fund](#)

GASB Statements 75: [Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions](#) and 74: [Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans](#)

Government Finance Officers Association Best Practices: [Ensuring Other Postemployment Benefits \(OPEB\) Sustainability](#) and [Sustainable Funding Practices for Defined Benefit Pensions and Other Postemployment Benefits \(OPEB\)](#)

EFFECTIVE DATE

This policy was adopted on [date].

PROSPECTIVE SHARED SERVICES

PURPOSE

To ensure the Town continually examines opportunities to improve the economy, efficiency and effectiveness of its services, this policy lays out guidance for identifying, analyzing, and proposing potential regional service agreements.

APPLICABILITY

This policy applies to the Board of Selectmen and Town Administrator in their duties to strategically plan for the Town's long-range goals. It also applies to the Finance Committee in its advisory role for the fiscal interests of Town Meeting. It further applies to other Town officials, employees, contractors, or other stakeholders who may be called upon to participate in the analysis of a prospective shared service.

This policy pertains only to the early-stage evaluation of the potential for pursuing new intercommunity shared services. Establishing a shared service agreement is a complex, multifaceted process. As such, once a proposal gets to the stage of having a steering committee, that committee should establish specific procedures for how it will study and report on the matter.

BACKGROUND

Massachusetts general laws contain numerous provisions that allow municipalities to work together to provide services under a variety of arrangements. These include establishing intermunicipal agreements (IMA), mutually contracting for services, forming regional districts, purchasing shared equipment, providing mutual aid, and others. To date, the Town has entered into agreements with neighboring communities to share the costs and responsibilities associated with providing the following services:

Service	Partners
Ambulance	New Braintree
Animal control	New Braintree, Rutland, Princeton
Building inspection	New Braintree, Hardwick, Petersham
Economic development director	New Braintree, Hardwick, Hubbardston, Dalton
Emergency dispatch	Hubbardston, Rutland, Oakham, Warren
Senior center	Hardwick
Technology services contract	New Braintree

POLICY

As part of long-range planning, the Town will proactively consider potential opportunities to enter into shared service agreements with nearby communities. The potential to achieve significant cost-savings does not have to be the sole driving factor for considering a shared service opportunity. Other valid justifications can include potential improvements in service efficiency or effectiveness, mitigation of risk liabilities to the Town, compliance with statutory mandates, and promotion of long-term sustainability.

A. Networking

The members of the Board of Selectmen and Finance Committee and the Town Administrator will actively develop relationships with counterparts in nearby communities to learn about common

concerns, existing or potential shared service agreements, and useful resources. As stated in the Employee Reimbursement policy, the Town supports employees' and officials' memberships in municipal associations and attendance at educational conferences, which can be helpful in this regard.

B. Timing

The Board of Selectmen and Town Administrator will be on alert for the occurrence of the following circumstances as prompts to considering shared services:

- Other community(s) proposing a shared service
- Department head's notification that he or she will be leaving Town service
- Upcoming expiration in a town contract
- Impending capital expenditure or equipment purchase
- Gifts to the Town or grant programs that present the potential to fund start-up costs

In response to these types of occurrences, the Board of Selectmen will direct the Town Administrator to begin the analysis under Section C.

C. Research and Preliminary Cost-Benefit Analysis

The Town Administrator has chief responsibility for conducting the initial research into a prospective shared service. Along with enlisting the expertise of Town employees as needed, this effort will involve having exploratory discussions with potential partner communities, assembling and analyzing relevant data sets, doing cost analyses, and assessing organizational impacts. The Town Administrator will also identify the proposal's potential stakeholders. These are the individuals or groups who may be impacted by the proposal and those who could directly or indirectly influence the process.

The Town Administrator will present the Board of Selectmen with a written report of the results of his analysis. If the Town Administrator recommends continuing to pursue the prospect, the report should clearly explain:

- The specific objective(s) that could be accomplished by sharing the particular service
- The reason for selecting the prospective partner community(s)
- Potential structure of the relationship, such as (but not limited to):
 - One community is the host that provides services to the other(s)
 - Forming a regional district
 - Contracting for services
- Potential type of agreement (e.g., IMA, memorandum of understanding, etc.)
- Organizational impact
- Potential cost-savings
- Existence of any outside funding potentially available for start-up costs, along with information on the viability of sustaining the service when grant funds are no longer available.

If the Town Administrator does not recommend going forward, the report will lay out that argument in similar fashion.

D. Steering Committee

The Board of Selectmen will review the Town Administrator's prospective partnership report and will vote on the recommendation. If the Selectmen vote to continue a process toward a new shared service, they will then appoint Town representatives to an intercommunity steering committee charged to conduct a more detailed study into the prospect.

REFERENCES

Barre policies on Employee Reimbursement and Grants Management

Division of Local Services: Regionalization / Shared Services Statutes matrix

EFFECTIVE DATE

This policy was adopted on [date].

FINANCIAL OPERATIONS POLICIES AND PROCEDURES

AMBULANCE RECEIVABLES

PURPOSE

To mitigate potential liabilities from uncollected accounts associated with Town's ambulance-related emergency medical services (EMS), this policy establishes guidelines for managing ambulance receivables.

APPLICABILITY

This policy applies to the EMS Coordinator in managing the Town's ambulance billing contract. Coastal Medical Billing, Inc. is the current contractor, and the EMS Coordinator will provide the company with a copy of this policy. This policy also applies to related job duties of the Town Administrator, Treasurer/Collector, and Town Accountant. Furthermore, all persons transported by the Town's ambulances ("patients") are subject to the provisions of this policy.

POLICY

Through its service contract with Coastal, the Town will uniformly assess EMS charges to all patients who have been provided ambulance transportation, regardless of whether they have third-party health coverage. The Town will pursue all reasonable measures to collect those charges except when financial hardship waivers are warranted. All written and verbal communications with patients, whether by employees of the Town, Coastal, or Coastal's subcontracted collection agency, will include notice that amounts owed may be waived upon demonstration of financial hardship.

All patient information managed under this policy, including names, addresses, medical histories, and financial information, is protected and exempt from public record classification. All access to and retention of patient information are subject to compliance with federal and state regulations related to medical, personal, and financial information.

To remain consistent with the industry, Coastal will notify the EMS Coordinator of any rate changes by the Centers for Medicare and Medicaid Services (CMS) and recommend corresponding changes to rates under the Town's contract. The EMS Coordinator will discuss proposed rate changes with the Town Administrator as part of the annual budget process.

In accordance with the Town's Reconciliations policy, the Treasurer/Collector and Town Accountant will include ambulance activity in their monthly reconciliations of cash and receivables. Additionally, all ambulance receivable activities are subject to audit by the Town's independent auditor.

PROCEDURES

A. Billing, Collections, and Enforcement

Objective	Who	Steps
A-1) Assess charges for services	EMS Coordinator	Within 24 hours of each ambulance transport, transmit service details and patient identification information to Coastal.
	Coastal	Using CMS rates, assign values to each transport and add them to the ambulance accounts receivable control.

A-2) Bill the charges	Coastal	<ul style="list-style-type: none"> Transmit electronic bills to third-party health care providers when the information is available. Whenever third-party information is unavailable or balances remain after providers have paid their portions of the bills, mail bills directly to patients. For all unpaid accounts, issue follow-up bills at 30-day intervals up to two more times. Send no more than three patient bills for any single transport.
A-3) Process receipts	Coastal	Deposit all payments received into a Town bank account controlled by the Treasurer/Collector.
	Town employees, Treasurer/Collector	In accordance with the Revenue Receipt and Turnover policy, turn over any received ambulance payment to the Treasurer/Collector, who will forward it to Coastal.
	Collection agency	Remit receipts to Coastal at least monthly.
A-4) Refer to collection agency	Coastal	Upon receipt of written authorization from the Town Administrator (see Section C below), refer specified delinquent accounts to a collection agency.

B. Reporting

Objective	Who	Steps
B-1) Report vendor contract activity	Coastal	<ul style="list-style-type: none"> Send the EMS Coordinator monthly activity reports including the following, at minimum: <ul style="list-style-type: none"> transaction detail and summary deposits summary (noting Coastal vs. collection agency deposits) aging details enforcement actions taken account write-offs completed credit adjustments requests for disposition from the Town Send the EMS Coordinator semiannual reports of collection agency activity showing the subcontractor's enforcement efforts, collection results, and write-off recommendations.
	EMS Coordinator	Forward copies of Coastal's reports to the Treasurer/Collector and Town Accountant within 24 hours of receipt.
B-2) Review vendor activity	EMS Coordinator	Review Coastal's enforcement actions and discuss any deficiencies with the company liaison.
	EMS Coordinator and Treasurer/Collector	<p>Meet quarterly to:</p> <ul style="list-style-type: none"> Confirm all transports have been billed and included in the receivables. Review Coastal's request for disposition report.

		<ul style="list-style-type: none"> ▪ Attempt to verify the accuracy of patient and insurance company addresses and notify Coastal of any updates. ▪ Review the semiannual collection agency activity report when Coastal includes it. ▪ Make recommendations on potential uncollectible write-offs and send them in a report to the Town Administrator along with Coastal's reports.
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C. Write-offs of Uncollectibles

None of the write-off determinations described in this section shall constitute debt forgiveness. Coastal will continue to accept any subsequently received payments and deposit them in the Town's ambulance bank account.

Objective	Who	Steps
C-1) Review the write-off recommendations	Town Administrator	Review the EMS Coordinator & Treasurer/Collector's report and determine the accounts that are uncollectible based on: <ul style="list-style-type: none"> ○ Balance under \$50; ○ Residual balance after receiving MassHealth/Medicare reimbursement and no identifiable secondary insurance exists; or ○ No payments received at least one year after collection agency referral
C-2) Send notice of uncollectible accounts	Town Administrator	<ul style="list-style-type: none"> ▪ Notify Coastal of the uncollectible accounts to write off its books. ▪ Notify the Town Accountant to write the uncollectible accounts off the general ledger.
C-3) Request referrals to collection agency	Town Administrator	Notify Coastal to refer all remaining accounts with balances over \$250 to a collection agency.

D. Hardship Waivers

Whenever a patient tells a Coastal, collection agency, or Town employee that a hardship exists, the employee will instruct the patient to send a hardship request to Coastal along with relevant supporting documents. As the standard for evaluating the hardship request, Coastal will use the Hill-Burton guideline, which is set at two times the federal poverty level as defined annually by the U.S. Department of Health and Human Services.

Objective	Who	Steps
D-1) Request hardship review	Patient	Mail letter and supporting documents to Coastal at 9 Main St, Suite 2K, Sutton MA.
D-2) Vendor reviews hardship	Coastal	<ul style="list-style-type: none"> ▪ Approve requestors with income lower than the Hill-Burton standard.

		<ul style="list-style-type: none"> ▪ Report all hardship approvals in monthly reports. ▪ Forward to the EMS Coordinator all hardship requests that cannot be approved under Hill-Burton.
D-3) Town reviews hardship	EMS Coordinator	<ul style="list-style-type: none"> ▪ Approve requests with balances under \$250. ▪ Refer those over the \$250 threshold to the Town Administrator.
	Town Administrator	<ul style="list-style-type: none"> ▪ Review the recommendations of the EMS Coordinator and Coastal to make final hardship determinations. ▪ Within 10 days, notify Coastal and the Town Accountant of the hardship determination.
D-4) Write off the hardship	Coastal, Town Accountant	<ul style="list-style-type: none"> ▪ Coastal write off the hardship account and report it on the following month's report. ▪ Town Accountant write off the hardship account in the general ledger.

REFERENCES

[M.G.L. c. 4 § 7, clause twenty-sixth](#)

[M.G.L. c. 40 § 4A](#)

[M.G.L. c. 40 § 5F](#)

[M.G.L. 93H](#)

[940 CMR 27.00](#)

[950 CMR 32.00](#)

[Health Insurance Portability and Accountability Act of 1996](#)

[CMS Ambulance Fee Schedule](#)

US Department Health and Human Services: [Annual Update of the HHS Poverty Guidelines](#)

Barre's contract with Coastal Medical Billing, Inc.

Barre policy on Reconciliation

EFFECTIVE DATE

This policy was adopted on [date].

ANTIFRAUD

PURPOSE

To protect the Town's assets and reputation from misappropriation and abuse, this policy provides guidelines to safeguard against fraudulent activities or any appearance thereof. Policy objectives include:

- To create an environment in which employees and citizens can report any suspicion of fraud
- To communicate the Town's intent to prevent, report, investigate, and disclose to proper authorities suspected fraud, abuse, and similar irregularities
- To provide management with guidelines and responsibilities regarding appropriate actions in conducting investigations of alleged fraud and similar improprieties

APPLICABILITY

This policy pertains to any suspected fraud, abuse, or similar irregularity against the Town. It applies to all elected and appointed Town officials and employees and to any other persons acting on behalf of the Town, such as vendors, contractors, volunteers, casual employees, and grant subrecipients.

POLICY

The Town is committed to protecting its revenue, property, information, and other assets from any attempt, either by members of the public, contractors, vendors, agents, or its own employees, to gain by deceit, financial or other benefits at the expense of taxpayers. Town officials, employees and other persons acting on behalf of the Town must, at all times, comply with all applicable policies, laws, and regulations. The Town will not condone any violation of laws or ethical business practices and will not permit any activity that fails to stand the closest possible public scrutiny. The Town intends to fully, objectively, and impartially investigate suspected acts of fraud or other similar irregularities regardless of the position, title, length of service, or relationship with the government of any party who may be the subject of such investigation.

A. Definitions

Any person acting on behalf of the Town shall mean any person responsible for or to Barre's government and placed in that position by some official relationship with the Town.

Abuse can occur in financial or nonfinancial settings and refers to, but is not limited to:

- Improper use or misuse of authority
- Improper use or misuse of Town property, equipment, materials, records, or other resources
- Waste of public funds

Fraud or other irregularity refers but is not limited to:

- Any dishonest or fraudulent act
- Forgery or alteration of any document or account
- Forgery or alteration of a check, bank draft, or any other financial document
- Misappropriation of funds, securities, supplies, or other assets

- Impropriety in the handling or reporting of money or financial transactions
- Profiteering as a result of insider knowledge of Town activities
- Disclosing confidential or proprietary information to outside parties
- Accepting or seeking anything of material value from consultants, contractors, vendors, or persons providing services or materials to the Town
- Destruction, removal or inappropriate use of records, furniture, fixtures, and equipment
- Any claim for reimbursement of expenses not made for the exclusive benefit of the Town
- Any computer-related activity involving the alteration, destruction, forgery, or manipulation of data for fraudulent purposes

B. Antifraud Responsibilities

All department heads and local officials are responsible for instituting and maintaining systems of internal controls to aid in preventing and detecting instances of abuse, fraud, and other improprieties. They are expected to recognize risks and exposures inherent in their areas of responsibility and be alert for any irregularities. In addition, all Town employees and officials are obliged to report suspected instances of misconduct and are subject to disciplinary action for any failure to report.

The Board of Selectmen delegates to the Town Administrator primary responsibility for overseeing the investigation of all reports of fraudulent or abusive activity.

C. Reporting Suspicion of Fraud

Any Town employee or official who suspects fraud or abuse has occurred will promptly report it to the Town Administrator, who will duly post the matter for discussion in an executive session of the Select Board. If the suspected fraud or abuse involves the Town Administrator, the employee/official will report it to the Select Board Chair or to a different member of the Board if the Chair is suspected to be involved. Whoever receives the initial report will document it in writing and include sufficient details to ensure a clear understanding of the issues raised.

The Town Administrator is accountable for maintaining the confidentiality of all information related to a report of potential fraud or abuse, and the person making the report is protected from retaliation under the provisions of Section G below. The Town therefore strongly encourages individuals to put their names to reports; however, an anonymous report can be emailed to the Town Administrator at agolas@townofbarre.com.

D. Security of Evidence

Upon receipt of a report of suspected fraud or abuse, the Town Administrator will take immediate actions to prevent the alteration, theft, or destruction of relevant records and assets. Such actions may include, but are not limited to:

- Limiting access to the location where the records and assets exist
- Preventing access by the individual or individuals suspected of committing fraud or abuse
- Relocating the records and assets to a secure location

E. Investigation

As soon as possible after receipt of a report of potential fraud or abuse, the Town Administrator will schedule a Board of Selectmen executive session to consider the following:

- Is a formal investigation necessary, and if so, who will lead it?
- Is there an immediate need for legal assistance or advice?
- Is police involvement immediately necessary?
- Is there a need for any external support (e.g., forensic accountants, technology professionals)?
- Should the Select Board and Town Administrator devise a media strategy on the issue?
- Is there a need to report the issue to any external parties?

The Town will investigate every nonanonymous report of suspected fraud or abuse. For any anonymous report, the Board of Selectmen will decide whether or not a formal investigation is justified based on the following:

- Credibility of the concern
- Seriousness of the issue (i.e., magnitude of exposure)
- Sufficiency of details provided to enable an investigation

To begin the formal investigation, the Town Administrator will consult with the Town's contracted Town Counsel to obtain guidance on next steps. From there, the Town Administrator may also seek the involvement of the Police Chief, Town Accountant, and other personnel as needed and may recommend to the Board of Selectmen the employment an outside consultant to lead the investigation, such as an independent auditor.

At the investigation's conclusion, the Town Administrator or other assigned investigator will provide a written report of findings to the Board of Selectmen. If it supports a finding of fraud or abuse, the Town will pursue disciplinary actions against any individual(s) involved and make every reasonable effort to recover any lost assets. On the advice of Town Counsel, the Board of Selectmen may also report the violation(s) to the proper authorities to pursue appropriate legal actions.

Additionally, the Town Administrator in consultation with the assigned investigator, if any, will determine corrective actions needed to implement or enhance internal controls necessary to mitigate the risk of future fraudulent activity in the subject department and potentially Town-wide. The subject department head(s) will subsequently provide the Town Administrator with updates on the status of the corrective action(s) monthly or upon request.

F. Confidentiality

All participants involved in a fraud investigation will keep its details and results confidential so as not to violate any individual's expectation of privacy, and the Town Administrator will ensure that all related documents are securely stored. No investigation-related verbal information or documents may be shared with anyone not formally assigned to the investigation. No person employed by or otherwise acting on behalf of the Town may make any comment to the media or any other party without explicit authorization from the Town Administrator or Board of Selectmen.

G. Protections, Prohibitions and Penalties

In addition to the whistleblower protections provided by federal and state laws, this policy prohibits retaliation of any kind against any employee who makes a good faith report pursuant to this policy, regardless of the investigation's outcome. No Town employee or person acting on behalf of the Town, in attempting to comply with this policy shall be:

- Dismissed or threatened with dismissal
- Disciplined, suspended, or threatened with discipline or suspension
- Intimidated or coerced
- Penalized or otherwise subjected to any other form of retaliation

Any party found to have retaliated against an employee for making a report pursuant to this policy will be subject to disciplinary action, up to and including termination.

If an allegation is made in good faith but not confirmed after the investigation concludes, no action will be taken against the originator. Any employee who knowingly makes a false report, provides evidence they know to be false, or provides information without a reasonable belief in its truth and accuracy may be subject to disciplinary action. Evidence of false allegations made with malicious intent will result in disciplinary action, up to and including termination.

H. Disclosure

If the Town's investigation concludes that there was a violation of any federal criminal law involving fraud, bribery or gratuity potentially affecting a federal award, the Town Administrator will disclose such in writing to the federal awarding agency in compliance with the Office of Management and Budget's Omni Circular. Similarly, if there are any findings of bond offering information falsification, the Town Administrator will disclose this in writing to the bondholders.

REFERENCES

[M.G.L. c. 149 § 185](#)

U.S. Office of Management and Budget, December 2013 [Omni Circular](#)

EFFECTIVE DATE

This policy was adopted on [date]

EMPLOYEE REIMBURSEMENT

PURPOSE

To mitigate opportunities for fraud, waste and abuse, the Town must properly monitor and control reimbursements to employees and officials. This policy establishes rules governing reimbursements for legitimate business-related expenses, including necessary travel expenses incurred in performing official duties. It also provides guidelines for determining reasonable travel-related and other expenses and details the procedures, forms and documentation necessary to receive reimbursement.

APPLICABILITY

This policy applies to all elected and appointed officials and employees (all referred to here as “employees”).

POLICY

The Town will reimburse employees for reasonable expenses incurred on the Town’s behalf as authorized by their department heads, boards, or committees. To promote professional growth and development, the Town encourages senior management personnel to participate in their professional associations’ annual conferences, whether in or out of state. The community benefits through the introduction of new ideas and techniques for service improvements often learned at conference workshops. The networking experience and related exchange of information with managers’ peers in other communities also benefit the Town.

Travel shall be restricted to necessary activities that provide a public benefit, such as trainings, conferences, and other municipal-related activities. All travel on Town business shall be planned for using the most economical mode and class of transportation reasonably available and the most direct and time-efficient route. Employees will travel using government and group rates when available. The Town will not reimburse or pay sales tax but will, however, pay meals and room excise taxes. All out-of-state travel must be approved in advance by the Board of Selectmen.

Business-related expenses, such as office supplies, should be procured through the Town’s vendors and billed directly to the Town as much as feasible. Whenever this is not possible or practical, the purchase must be made with the department head’s preapproval.

When this policy is not followed, there is no guarantee that all expenditures will be reimbursed. Employees should determine estimates for their travel costs, discuss any extraordinary circumstances and expenses with their department heads, and obtain their authorizations in advance.

A. Unauthorized Expenses

The following expenditures will not be reimbursed:

- Sales tax
- Alcoholic beverages and tobacco
- Costs associated with any political or charitable event
- Flowers or other gifts for employees or others
- Expenses incurred by or on behalf of any person who is not a Town employee who accompanies the employee on official business

- Expenses incurred for the sole benefit of the traveler, such as valet service, entertainment, laundry services, etc.
- Theft, loss, or damage to personal property while on Town business
- Non-mileage-related personal automobile expenses, including repairs, insurance, gasoline, and traffic citations

The Town Accountant may refuse to approve for payment any claim deemed to be fraudulent, unlawful, or excessive. In that instance, the Town Accountant will file a written statement of the reason for refusal with the Treasurer/Collector and forward copies to the Town Administrator and the originating department head. Resolution of all disputes shall reside with the Town Administrator.

B. Reimbursable Expense Categories

Transportation

- Employees authorized to travel using their personal vehicle will be reimbursed at the mileage reimbursement rate established yearly by the Internal Revenue Service (IRS) or, for union employees, the rate established in their particular contractual agreement.
- Mileage will be calculated starting from the employee's office location or residence to the destination point, whichever distance is shorter.
- Employees must present receipts to be reimbursed for parking, tolls, airfares, taxi fares, and, when using a Town-owned vehicle, fuel charges.

Lodging

- If travel requires an employee to be away from home for more than 24 hours, he or she will be reimbursed for reasonable charges for lodging expenses.
- Lodging expenses must not exceed the group rate published by the conference or activity sponsor. If the sponsor's group rate is not available when booking, the Town will reimburse for lodging costs comparable in location and quality and reserved at the lodging's government or group rate, whenever that is available.
- The Town will reimburse for only one night preceding any conference.

Meals

- If travel requires an employee to be away from home for more than 24 hours, he or she will be reimbursed for reasonable charges for meal expenses.
- Meal costs, including tips and taxes, incurred during the course of approved travel will be reimbursed only upon presentation of itemized receipts. If the receipt is for multiple employees, they should be listed on the back of the receipt.
- Meals included in registration costs cannot be claimed for reimbursement or advance.
- For each 24-hour period, the Town will not reimburse more than [*the Town should establish a max per diem, such as \$30*] for meals expenses.

Registrations

- Whenever possible, registration fees for any conference, training, or workshop should be paid in advance through the Town's accounts payable warrant process. To pay advance registrations timely, the registration bill must be received in the Town Accountant no later than two full weeks prior to the registration deadline. If registration is not paid in advance, the employee must pay out-of-pocket and then submit for reimbursement.

Business and Office Supplies

- Employees must obtain department head approval prior to incurring expenses for any business or office supplies, and all purchases made on behalf of the Town must be necessary, reasonable, and appropriate.
- Business-related special postal services or delivery services that are not available through the Town will be reimbursed.

C. Reimbursement Submission

Every claim for reimbursement must be documented using an *Employee Travel Reimbursement Voucher* signed by the employee and the authorizing department head. Required information includes (as applicable): the travel or purchase date(s), purpose, amount(s), and total business-related mileage. Except for mileage, the employee must attach to the form a receipt or other valid proof of payment for each reimbursement claim.

Employees should submit for reimbursement as soon as the travel has concluded or the expense has been paid, but at maximum, no later than 30 days after the expenses being incurred. If an employee does not submit the voucher and accompanying receipts or other necessary documentation within that time, he or she may be personally responsible for the expenses.

D. Violations

Employees who violate this policy will be held directly responsible for their actions. Consequences may include revocation of travel privileges, reparatory payments, suspension, or termination. Improper documentation of otherwise valid travel expenditures creates the appearance of fraud, waste, or abuse and may result in similar consequences. Moreover, misrepresenting expenses and intentionally submitting false claims are fraudulent and could result in criminal penalties.

E. Audit

All expense reimbursements are subject to audit by the Town's independent auditor.

FORM (in Appendix)

Employee Travel Reimbursement Voucher

REFERENCES

[M.G.L. c. 41, § 52](#)

[M.G.L. c. 44, § 58](#)

[M.G.L. c. 268A, § 3](#)

IRS webpage: [Standard Mileage Rates](#)

EFFECTIVE DATE

This policy was adopted on [date].

EXPENDITURES: ACCOUNTS PAYABLE

PURPOSE

To mitigate the risks of errors or fraud and ensure the Town expends funds only for legally valid liabilities, this policy establishes guidelines for paying the Town's bills.

APPLICABILITY

This policy applies to the Town Accountant's and Treasurer/Collector's job duties and to the Board of Selectmen's warrant approval responsibilities. It further applies to all employees who receive payment invoices, in addition to all department heads and elected or appointed officials who approve and submit requests for expense disbursements (all referred to here as "department heads").

POLICY

All accounts payable (AP) expenditures must be based on original invoices, issued only to entities with valid W-9 forms on file, and charged to the proper fiscal year. Payment for any bills payable for a prior fiscal year must be approved by vote of town meeting in accordance with M.G.L. c. 44, § 64.

Every AP submission must be authorized by the particular department head's signature. If an elected or appointed board constitutes the department head, the submission must be signed by a majority of the board's membership, unless the board has delegated the approving authority to a sole board member. No board can assign this responsibility to a non-board member, however.

No disbursement for any AP expense shall occur without the prior review and approval of the Town Accountant and Board of Selectmen.

A. Responsibilities Related to Disbursement Processing

Each department head is responsible for:

- Assuring that all purchases of goods and services conform to the state's procurement laws and the Town's Purchasing policy
- Verifying that adequate funds exist in the department's budget for every AP submission, attesting to the accuracy of each submission via signature, and submitting timely AP requests to the Town Accountant

The Town Accountant is responsible for:

- Including each requested expense on the AP warrant after completing the validations required by statute and this policy
- Preparing and approving AP warrants prior to the Selectmen's authorization
- Updating the general ledger with all AP warrant expenditures

The Treasurer/Collector is responsible for:

- Disbursing payments from the appropriate Town bank account after receiving AP warrants signed by the Selectmen
- Sending payments to vendors via mail or electronic funds transfer
- Updating the cashbook to document disbursement activity

The Board of Selectmen members are responsible for approving AP warrants.

B. Emergency Disbursements

If there is an emergency or other imperative circumstance where payment must be made to a vendor outside of the normal warrant process, the Treasurer/Collector may issue a manual check with written authorizations by the Town Administrator and Town Accountant. In any such case, the department head will submit the expense to be processed as a no-check on the next accounts payable warrant.

C. Petty Cash

To mitigate the risks of illegal expenditures, procurement law violations, or instances of expenses exceeding appropriations, no petty cash accounts are authorized.

D. Audit

All disbursement activity is subject to audit by Barre's independent auditor.

PROCEDURES**A. Departments Submit Invoices for Payment**

The AP warrant process occurs biweekly, with disbursements of funds occurring every other Wednesday. Departments must submit their requests for payment one full week in advance.

Departments must include with each AP submission the original document(s) the vendor provided to solicit payment. These could include an invoice, remittance stub, or another type of document, or a combination of these documents. In order to avoid potential duplicate payments, departments must not submit any follow-up invoices for outstanding amounts. These are not considered to be originals. Instead, the department should email the details of the follow-up invoices to the Town Accountant to inquire about expenditure status.

For each purchase or service invoice, departmental staff will take the following steps.

Objective	Step
A-1) Validate that charges are appropriate	<ul style="list-style-type: none"> ▪ Ensure the correctness of the invoice's rates and calculated total. ▪ Verify goods received correspond to the itemized invoice or packing slip. ▪ Verify that charges for services accurately reflect the performed work. ▪ To document this validation review, sign or stamp each original invoice or other originating document.
A-2) Remain within budget	Review your department's biweekly, year-to-date expenditure report to verify sufficient funds exist in the account to be charged.
A-3) Demonstrate compliance with Purchasing policy	For any purchase costing \$10,000 or more, copy the bid document(s) showing the Town Administrator's approval (per Purchasing policy) for submittal to the Town Accountant with the invoice.

A-4) Complete an AP Schedule	<ul style="list-style-type: none"> ▪ Invoices may be batched and recorded together on a single Schedule of Department Bills Payable ("Schedule"), which will act as a coversheet for the individual back-up documents being submitted. ▪ On the online Schedule, list the invoice(s), filling in the blanks at the top of the sheet as well as all the columns in the table for each invoice with its identifying information. ▪ Ensure the Schedule's total amount balances with the set of invoices being attached. ▪ If the invoice included sales tax, only input the cost of the item <u>without any sales tax</u> on the Schedule. The Town Accountant will follow up with the vendor (see C-4 below). ▪ Make a photocopy of each invoice, retain the copy in the department files, and attach the original to the Schedule. ▪ Also attach the appropriate Purchasing policy document(s) (from A-3). ▪ Present the Schedule and invoices to your department head for approval.
A-5) Approve and submit the Schedule	<ul style="list-style-type: none"> ▪ Department head reviews the Schedule and the back-up document(s) for accuracy and appropriateness, and then signs the Schedule to approve it or follows up on issues. ▪ Deliver signed Schedule and attachments to the Accounting Office.
A-6) Segregate duties	<p>To the greatest extent practical by department, separate individuals will be tasked with:</p> <ol style="list-style-type: none"> 1) Ordering purchases 2) Authorizing purchases 3) Receiving purchases 4) Creating schedules for payment 5) Approving schedules

B. Accounting Clerk Processes AP Submissions

The Accounting Clerk will take the following steps to add items to the AP warrant.

Objective	Steps
B-1) Review accuracy of Schedule	<ul style="list-style-type: none"> ▪ Review the received Schedule and supporting documents to ensure correctness in the following: <ul style="list-style-type: none"> ○ The listed amounts correspond accurately to the invoices. ○ Subtotal is correctly calculated. ○ Accounts being charged are correct. ○ Purchasing forms demonstrate compliance with Town policy. ○ Sales tax is not included. ○ Appropriate fiscal year ○ Appropriate authorizing signature ▪ If any of the above is missing or incorrect, contact the department for more information or documentation.
B-2) Enter each AP submission in SoftRight	Create a SoftRight packet and enter the invoice data from the Schedule.
B-3) Forward for additional review	Give the Town Accountant all the paperwork for the entered AP submissions.

C. Town Accountant Finalizes AP Warrant

The Town Accountant takes the following steps to finalize the AP warrant.

Objective	Steps
C-1) Review the Clerk's work	<ul style="list-style-type: none"> Verify the accuracy of the work done by the Clerk in section B above. Follow up with the Clerk or submitting department if any correction or additional information is needed.
C-2) Review for appropriateness of expenditure	<ul style="list-style-type: none"> For each AP request entered in SoftRight, verify the following: <ul style="list-style-type: none"> The expense is for a legal purpose. The appropriate account is being charged. Funds are available in the account. There is no evidence of fraud. If any of the conditions above cannot be verified, call the department head for more information. If that does not resolve the issue, send an email to the department head, Town Administrator and Treasurer/Collector with the reason for rejecting the AP request. If fraud is suspected, follow the Town's Antifraud procedures.
C-3) Reject charged taxes	Send letter to vendors that charged taxes stating that the Town is exempt and taxes will not be paid.
C-4) Post invoice data to the GL and generate warrant	<ul style="list-style-type: none"> Validate and post the Clerk's entries into SoftRight's general ledger (GL). Print a warrant and give it to the Treasurer/Collector to review for vendors owing monies to the Town (see E-1).
C-5) Approve final warrant	<ul style="list-style-type: none"> After receiving the warrant back from the Treasurer/Collector (E-1), make any necessary adjustments to it in SoftRight. Generate and print two copies of final warrant. Sign the warrants and deliver them to the Selectmen's Office.
C-6) Print checks	<ul style="list-style-type: none"> Imprint AP information on blank checks received from the Treasurer/Collector via the SoftRight Check Register task. Print the Check Register report. Deliver the printed checks and Register report to the Treasurer/Collector.

D. Board of Selectmen Authorizes Warrant

Every two weeks, at least two of the three members of the Board of Selectmen must review and subsequently authorize a new AP warrant according to the following steps.

Objective	Steps
D-1) Authorize warrant	<ul style="list-style-type: none"> Review the warrant for appropriateness by examining its listings and back-up documents. Direct any inquiries to the Town Accountant. If no questions exist, sign both warrant copies.
D-2) Notify Treasurer/Collector, Accountant	Deliver the signed warrants to the Treasurer/Collector and Town Accountant.

E. Treasurer/Collector Disburses Funds for AP Expenditures

The Treasurer/Collector will take the following steps to disburse funds to AP accounts.

Objective	Steps
E-1) Withhold funds from delinquent payees	<ul style="list-style-type: none"> Review the preliminary warrant for any payees owing money to the Town (see C-4). For any payee with a Town liability, notify the Town Accountant to adjust the warrant to pay to the Town the amount owed and pay to the vendor any remaining balance.
E-2) Fund the warrant	<ul style="list-style-type: none"> On the bank's website, transfer funds from the general depository (or other funding) account to the AP account in the warrant's total amount. Print the bank's transfer report, attach it to the warrant, and retain them on file.
E-3) Disburse funds	<ul style="list-style-type: none"> For check payments, remove the correct number of checks from the safe, note them in the check log, and deliver them to the Town Accountant. Initiate Automated Clearing House electronic payments. When the Town Accountant returns the printed checks, mail them to the vendors along with any received remittance stubs. Send the SoftRight Check Register report to the bank to identify the payees.

FORMS (in the Appendix)

Schedule of Department Bills Payable

REFERENCES

[M.G.L. c. 41, §§ 52, 56](#)

[M.G.L. c. 44, §§ 56, 58, 64](#)

[M.G.L. c. 30B](#)

Barre policies on Procurement, Purchasing, and Antifraud

EFFECTIVE DATE

This policy was adopted on [date].

EXPENDITURES: PAYROLL

PURPOSE

To mitigate the risks of errors or fraud while ensuring that the Town disburses salary and wage compensation to employees in valid amounts, this policy establishes guidelines for payroll expenditures.

APPLICABILITY

This policy applies to the Town Accountant's and Treasurer/Collector's job duties and to the Board of Selectmen's warrant approval responsibilities. It also applies to all employees in reporting their time and attendance, and it further applies to the department heads and elected or appointed officials who submit requests for payroll disbursements (all referred to here as "department heads").

POLICY

All payroll expenditures must be consistent with applicable collective bargaining agreements or personal service contracts. All regular employees must complete biweekly time sheets, which form the basis for their compensation. In addition, any elected official who works more than 20 hours weekly must complete and submit biweekly time sheets to maintain eligibility for health insurance benefits.

Department heads must review and approve the payroll reports of their employees. The department heads' own payroll reports must be approved by whomever appointed them. When the appointing authority is the Board of Selectmen, this will be accomplished through the signing of the payroll warrant. Whenever an elected or appointed board constitutes the department head, the payroll submission must be signed by a majority of the board's membership, unless the board has delegated the approving authority to a sole board member. No board can assign this responsibility to a non-board member, however.

No payroll expenditure shall occur without the prior review and approval of the Town Accountant and Board of Selectmen.

A. Ongoing Maintenance of Payroll and Leave Time Data

The Treasurer/Collector Department is responsible for maintaining the Harpers Payroll Services Inc. database of all active Town employees, including their salaries, pay rates, stipends, biweekly work hours, benefit options, and withholdings. Any change to an employee's employment status, work hours, or pay rate can only be made by Treasurer/Collector staff based on a wage authorization form signed by the appropriate department head and the Town Administrator.

The Treasurer/Collector Department also has oversight responsibility for maintaining the Harpers database of employee leave time accumulations and usage. Any change to any employee's rate of accumulation within the database must be supported by one of the following documents: collective bargaining agreement, classification schedule, or personal services contract. Deductions to leave time will be based on data reported on biweekly time sheets.

B. Responsibilities Related to Payroll Processing

Every employee is responsible for:

- Documenting on a biweekly time sheet the hours worked or leave time used by specific date

Each department head is responsible for:

- Verifying that adequate funds exist in the department's budget for every payroll submission
- Attesting to the accuracy of each submission via signature
- Timely submitting the payroll requests to the Treasurer/Collector

The Treasurer/Collector (and/or any delegated staff) is responsible for:

- Maintaining and updating employee leave time balances in the Harpers database on both biweekly and annual accrual bases
- Processing biweekly payroll data in Harpers and initiating the payroll warrant in SoftRight
- Disbursing payroll payments from the appropriate Town bank account
- Updating the cashbook to document the disbursement activity

The Town Accountant is responsible for:

- Ensuring each requested payroll expenditure complies with statute and this policy
- Preparing and approving AP warrants prior to the Selectmen's authorization
- Including payroll withholdings on the subsequent accounts payable warrant
- Updating the general ledger with all payroll warrant expenditures

The Board of Selectmen members are responsible for approving payroll warrants.

C. Payroll Disbursement Exceptions

On an exception basis caused by imperative circumstances, the Town Administrator and Town Accountant may together authorize a payroll disbursement outside of the normal payroll process. After receiving this authorization, the Treasurer/Collector has two options: issue a manual check or create a second Harpers payroll file for the same pay period. If a manual check is issued, the amount must be processed in the next payroll warrant as a no-check.

D. Audit

All disbursement activity is subject to audit by Barre's independent auditor.

PROCEDURES**A. Departmental Payroll Submissions**

The Town's payroll disbursements occur every other Thursday, and departments need to submit their payroll reports to the Treasurer/Collector by Tuesday of the same week. No employee may submit overtime hours (i.e., hours exceeding 40 hours in a week) or hours for any special detail work without the supervisor's advanced approval.

Employees will take the following steps to report work and leave hours.

Objective	Step
A-1) Record hours worked and/or leave time used	Using the Town's standard time sheet, fill in by specific date: <ul style="list-style-type: none"> ○ Daily hours worked for the two-week period, ○ Preapproved overtime or detail hours worked, and/or ○ Leave time used, by type of leave (e.g., vacation, sick, etc.).
A-2) Submit time sheet	Sign the time sheet and give it to the department head.

Department heads will take the following steps to approve employee compensation.

Objective	Step
A-3) Review time sheet	<ul style="list-style-type: none"> ▪ Review time sheets for accuracy and appropriateness. ▪ If any information needs correction, meet with the employee to discuss, make the changes on the time sheet, and both people initial the changes on the sheet. Alternatively, instruct the employee to create a new time sheet with the correct information. ▪ Each department head must also create and sign a time sheet for his or her self.
A-4) Create a payroll summary report	Fill out an online payroll summary report with the following information: <ul style="list-style-type: none"> ○ Compiled work and leave hours and pay rates for each department employee ○ Account number(s) to be charged
A-5) Submit payroll summary report	Sign the summary report and deliver it to the Treasurer/Collector.

B. Treasurer/Collector: Payroll Data Processing

Treasurer/Collector staff will take the following steps to create the transmission file for Harpers and to upload compensation amounts to SoftRight.

Objective	Who	Steps
B-1) Enter payroll data	Assistant Treasurer	<ul style="list-style-type: none"> ▪ Review accuracy and completeness of the submitted payroll reports and contact department heads with any inquiries. ▪ Data enter payroll information in Harpers only for employees who have exceptions in that pay period (i.e., work hours that deviated from the regular schedule or leave hours used).
B-2) Create preprocess file	Treasurer/Collector	<ul style="list-style-type: none"> ▪ Review the accuracy of the Assistant Treasurer's entries and make any necessary inquiries or corrections. ▪ Print a Harpers preprocess report and send it with the departmental reports to the Town Accountant for review (C-1).
B-3) Finalize payroll	Assistant Treasurer	<ul style="list-style-type: none"> ▪ After receiving preprocess report back from the Town Accountant, make any necessary changes in Harpers, finalize the payroll file, and transmit it to Harpers. ▪ Print the following: <ul style="list-style-type: none"> ○ Payroll register: Send to the Town Accountant for inclusion with the final warrant ○ Check register: Send to the bank to identify payees ○ Withholdings reports: Use for reconciliation purposes

B-4) Report withholdings for general ledger update	Treasurer/Collector	<ul style="list-style-type: none"> ▪ Create a Schedule of Department Payments for all withholdings payable at month-end and not processable by Harpers (e.g., health insurance, retirement deductions). ▪ Forward Schedule to Town Accountant.
B-5) Submit AP expenses	Treasurer/Collector	Prepare and forward to the Town Accountant, Schedules of Bills Payable for the following: <ul style="list-style-type: none"> ○ Town's share of Medicare tax every pay period ○ Withholdings not processed by Harpers, every month-end
B-6) Update SoftRight	Assistant Treasurer	<ul style="list-style-type: none"> ▪ Download the final payroll file from Harpers and import it into a new packet in SoftRight. ▪ Add to the packet the Town's share of Medicare tax. ▪ Notify the Town Accountant of the new SoftRight packet.

C. Town Accountant: Warrant Approval

The Town Accountant takes the following steps to approve the payroll warrant.

Objective	Steps
C-1) Review the preprocess file	<ul style="list-style-type: none"> ▪ Review the payroll listings in the Harpers preprocess file against the departments' payroll summary reports, and for each listing verify that: <ul style="list-style-type: none"> ○ The expense is legal. ○ The appropriate account is being charged. ○ Funds are available in the account. ○ There is no evidence of fraud. ▪ If any of three conditions above cannot be verified, call the department head for more information. ▪ If fraud is suspected, do not follow the Antifraud policy. ▪ When satisfied with the preprocess file, sign it, and return it to the Treasurer/Collector's office along with the departmental payroll reports.
C-2) Post to the GL	<ul style="list-style-type: none"> ▪ Validate the Assistant Treasurer's entries in SoftRight and post them to the general ledger. ▪ Data enter and post withholding amounts based on the Schedule received from the Treasurer/Collector.
C-3) Approve the warrant	<ul style="list-style-type: none"> ▪ Generate the warrant and print two copies of it. ▪ Sign the warrants and deliver them to the Selectmen's office along with the Harpers payroll register report.

D. Board of Selectmen: Payroll Expenditure Authorization

Every two weeks, at least two of the three members of the Board of Selectmen must review and subsequently authorize a new payroll warrant according to the following steps.

Objective	Steps
D-1) Review warrant	<ul style="list-style-type: none"> ▪ Review the warrant for appropriateness and direct any inquiries to the Town Accountant. ▪ If no questions exist, sign the two warrant copies.

D-2) Notify Treasurer/ Collector, Accountant	Deliver the signed warrants to the Treasurer/Collector and Town Accountant.
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E. Treasurer/Collector: Payroll Disbursement

Upon receiving the signed warrant, the Treasurer/Collector will take the following steps to disburse payroll to Town employees.

Objective	Steps
E-1) Fund the payroll bank account	<ul style="list-style-type: none"> ▪ Prepare a funding report for net payroll, taxes, and all directly funded withholdings. If there was a payroll exception payment for the period, also prepare a separate funding report ▪ Reconcile the funding report(s) and withholdings schedule with the warrant. ▪ On the bank's website, transfer funds from the general depository (or other funding) account to the payroll account in the total amount of the funding report(s). ▪ Print the bank's transfer report, attach it to the funding report(s), and retain them on file.
E-2) Update cashbook	Record the disbursement activity in the cashbook the same day as the bank transfer.
E-3) Distribute paychecks	<ul style="list-style-type: none"> ▪ Upon receiving paychecks from Harpers, email all department heads notifying them to pick them up or mail checks to employees as instructed. ▪ Mail to vendors the withholding checks processed by Harpers.

FORMS (in Appendix)

Wage Authorization Form

Individual employee time sheet

REFERENCES

[M.G.L. c. 41, §§ 41, 41A, 41B, 41C, 42, 43, 52, 56](#)

[M.G.L. c. 44, §§ 56, 58, 64](#)

Barre's collective bargaining agreements, classification tables, and personal service contracts

Barre Antifraud policy

EFFECTIVE DATE

This policy was adopted on [date].

FINANCIAL MANAGEMENT TEAM

PURPOSE

To maximize the effectiveness of financial practices by optimizing the coordination of interdepartmental activities and long-range plans, this policy establishes a financial management team that will meet regularly to discuss common goals and objectives.

Team meetings help the Town's finance officers to maintain open lines of communication and reinforce awareness of their interdependence. In this forum, team members can identify critical junctures, consider strategies to deal with anticipated areas of concern, and establish agreement about goals, deadlines, and each individual's role in meeting common objectives. A formal financial management team approach also fosters institutional continuity during times of turnover in financial offices.

APPLICABILITY

This policy applies to the Town Administrator, Town Accountant, Treasurer/Collector, and Administrative Assessor.

POLICY

The Town establishes a financial management team consisting of the Town Administrator, Town Accountant, Treasurer/Collector, and Administrative Assessor. Meetings of the team will be scheduled at a consistent time each month and more frequently when necessary. Agenda topics will include:

- Updating the status of assigned responsibilities and due dates related to cyclical procedures
- Reviewing budget preparation, including financial forecasting and capital funding analysis
- Monitoring monthly revenue and expenditure reports and analyzing cash flow
- Developing corrective action plans for citations in the external auditor's management letters
- Reviewing the effectiveness of internal controls, including the status of monthly reconciliations
- Proposing internal audits
- Coordinating submissions to the Division of Local Services
- Review the status of special projects assigned by the Board of Selectmen or others
- Pursuing professional development and training opportunities

REFERENCES

Barre polices on Annual Audit, Capital Planning, Forecasting, Reconciliations, and Year-end Closing

Division of Local Services Best Practice: [*Financial Management Team*](#)

EFFECTIVE DATE

This policy was adopted on [date].

GRANTS MANAGEMENT

PURPOSE

To ensure Barre efficiently and appropriately manages its grant-funded programs, this policy sets a framework for evaluating grant opportunities, tracking grant activity, and processing grant revenues and expenditures. Effective grant management helps promote the pursuit of grants that are in the Town's best interest, assure timely reimbursements to optimize cash flow, and guard against year-end account deficits. As a legal contract, every grant agreement must be fulfilled in accordance with its prescribed terms and conditions, as well as all applicable federal, state, and local regulations. Failure in this regard exposes the Town to legal and financial liabilities and compromises future grant funding.

APPLICABILITY

This town-wide policy applies to the grant project managers in each department applying for or receiving grant funding. It further applies to the grant-related responsibilities of the Board of Selectmen, Town Administrator, Town Accountant, and Treasurer/Collector.

POLICY

All departments are encouraged to solicit grant funding for projects and programs consistent with the Town's goals. All municipal applications for grants exceeding \$5,000 must receive preapproval by the Board of Selectmen. To be eligible for preapproval, there must be sufficient staff available to effectively administer the grant program and perform its required work scope, along with adequate matching requirements (both cash and in-kind).

No department shall expend grant funds until a fully executed grant agreement has been accepted and approved for expenditure by the Board of Selectmen. Further, no grant funds shall be used to supplant an existing expense for the purpose of diverting current funds to another use.

Operating departments through their designated grant project manager(s) have primary responsibility for seeking grant opportunities, preparing applications, and managing awarded programs. The Town Accountant is responsible for consulting with project managers on grant budgetary matters, accounting for grants in the general ledger, monitoring grant expenditures for consistency with award requirements, tracking the timeliness of reimbursement requests, and distributing monthly reports of grant expenditures to departments. The Town Accountant will also maintain a database of all grants and grant activity from inception to closure.

A. Grant Opportunity Assessment

Well in advance of a grant application's due date, the departmental project manager will assess the opportunity in consultation with the Town Administrator and Town Accountant. Below are the factors to be considered, at minimum.

Programmatic:

- Alignment of the grant's purpose with the Town's and department's strategic priorities
- Department's capacity to administer the grant through to closeout
- Office space, facilities, supplies, or equipment required
- Ongoing impact of the grant program after it is completed
- Compliance and audit requirements, particularly as they may differ from the Town's

Financial:

- Total anticipated project cost
- Expenditure requirements and anticipated cash flow schedule
- Required cost matching shares and sources, including cash and in-kind
- Staffing requirements, including salary and benefit increases for multiyear grants
- Administration and indirect recapture amounts
- Program income potential

In this stage, the project manager will also develop a continuation plan to address the potential future loss of grant funding, which may include alternative funding proposals or plans for reducing or terminating program positions or components after grant closeout.

B. Grant Application and Award Acceptance

Prior to filing any grant application greater than \$5,000, the project manager will submit a meeting agenda item requesting preapproval from the Board of Selectmen with a report summarizing the grant and how it complies with this policy. The Town Administrator will then make a determination as to whether any preapproved application should be submitted to the Town Counsel for a legal review. Following this, the project manager will submit the grant application to the grantor and forward a copy to the Town Accountant.

When a project manager receives notice of any grant award, he or she will submit it as a meeting agenda item for the Board of Selectmen to formally accept by signatures and thereby approve the expending of grant funds. The project manager will then send copies of the signed agreement to the grantor and the Town Accountant.

Upon receiving the new grant's documents, the Town Accountant will create new general ledger account to record the grant activity separately from regular expenses. When notified of any amendment or adjustment by the grantor, the project manager will immediately forward the information to the Town Accountant, who will make adjustment(s) to the grant's budget in the general ledger.

C. Grant Financial Management

At the start of a new grant, the Town Accountant and project manager will discuss its requirements and the timing of reimbursement requests (e.g., at the time of expenditure, monthly or quarterly), when applicable.

The project manager will ensure all expenditures made are allowable and consistent with each grant award's requirements. The project manager will submit project invoices to the Accounting Department consistent with the Town's disbursement policy. The project manager will also ensure the proper payroll account codes for grant-funded employees are reported on the department's submission to the Treasurer/Collector as part the regular payroll process.

Because required retirement system remittances and/or general fund benefit reimbursements vary by grant, the Town Accountant will calculate these for each grant and notify project managers of the resulting amounts to include on the AP submissions.

To minimize the use of advance town funds, every project manager will request reimbursements as often as the grant's guidelines allow and always no later than June 30th. In doing so, the project manager will prepare all required reports and requests as detailed in the agreement and submit these to the grantor. Immediately following each submittal, the project manager will send an email notification of the reimbursement request to the Town Accountant and Treasurer/Collector.

The Town Accountant will monitor each grant's deficit balance to assure it is temporary and receives reimbursement within the grant's allowable timeline and always prior to year-end. The Treasurer/Collector will match reimbursements received electronically or by check with their requests and credit the proper revenue lines.

D. Grant Closeout

Upon completion of the project work or grant period, whichever comes first, the project manager will verify that all grant requirements have been met and will send to the Town Accountant a grant closeout package that includes a final report and either a final reimbursement request or notification of the amount to be refunded to the grantor.

Upon receipt of the closeout package, the Town Accountant will put the general ledger's grant account into inactive status and will reconcile the project manager's report with the general ledger's record of grant activity. The project manager will subsequently submit the final reimbursement request to the grantor or, if a refund is due, the Town Accountant will add the refund amount to the AP warrant.

Within 30 days of any grant closeout or the year-end closure, whichever is earlier, the Town Accountant will determine if the grant account has been overexpended and will either apply the expense to the operating budget or propose an appropriation from other available funds.

E. Audit

All grant activities are subject to audit by the particular grantors, the Town Accountant, and Barre's independent auditor. The Town Accountant will maintain all grant documents and financial records for seven years after their closeouts or for the lengths of time specified by the grantors, whichever period is longer.

REFERENCES

[M.G.L. c. 40, § 5D](#)

[M.G.L. c. 41, § 57](#)

[M.G.L. c. 44, § 53A](#)

Barre policy on Expenditures: Accounts Payable

Public Employee Retirement Administration Commission: [Memo #12/2003](#)

Mass.gov webpage: [Municipal Grant Finder](#)

US grant search website: [grants.gov](#)

EFFECTIVE DATE

This policy was adopted on [date].

PROCUREMENT - CONFLICT OF INTEREST

PURPOSE

To ensure integrity in the procurement process, this policy sets guidelines for vetting potential conflicts of interest.

APPLICABILITY

The policy pertains to all the Town's procurement and contract processes governed under the provisions of the state's Uniform Procurement Act associated with, but not limited to: specification development, preparation and issuance of solicitations, evaluation of solicitations and submissions, and other evaluations that lead to Town contract awards. The policy applies to the job responsibilities of the Town Administrator (as Barre's chief procurement officer) and to the related duties of the Town Accountant. It further applies to all Town employees, officials, and others working on the Town's behalf who are involved with any procurement and contract process and to the prospective contractors.

POLICY

The Town is committed to ethical business practices, professional integrity, and compliance with all procurement laws and regulations. Barre will provide fair opportunities to participants in competitive processes for the award of Town contracts. Process integrity will be reinforced by the practices outlined here to ensure confidentiality during the bid evaluation process and to assess and address conflicts of interest in all competitive solicitations. The Town will investigate all allegations of conflict of interest or misconduct brought to the attention of Town staff.

A. Confidentiality during the Bid Evaluation Process

Town staff, consultants, and outside evaluators who are participants in a bid evaluation process are required to sign confidentiality agreements, which bind them not to share any information about responses received and the evaluation process until the Town issues a Notice of Intended Award.

The departmental purchasing employee will:

1. Identify all participants of an evaluation process who receive proposals or other documents used in the evaluation process, including any nonevaluating observers.
2. Ensure that these participants sign confidentiality agreements.
3. Submit the confidentiality agreements to the Town Administrator.

The Town Administrator will:

1. Verify that signed confidentiality agreements for all participants in the evaluation process, including nonevaluating observers, are submitted.
2. Maintain signed confidentiality agreements on file.

B. Conflict of Interest in Procurement

To ensure decisions are made independently and impartially, Town employees and officials are expected to avoid any conflicts of interest and also avoid the appearance of conflicts of interest. A conflict of interest, or the appearance of one, must be disclosed whenever a vendor, employee, or

officer has, or can reasonably anticipate having, an ownership interest, a significant executive position, or other remunerative relationship with a prospective supplier of goods or services to the Town or knows that a family member or other person with whom they have a personal or financial relationship has such an interest.

According to the federal Office of Management and Budget's Omni Circular, a conflict of interest arises when: *"the employee, officer, or agent, any member of his or her immediate family, his or her partner, or an organization which employs or is about to employ any of the parties indicated herein, has a financial or other interest in or a tangible personal benefit from a firm considered for a contract."*

And it states that: *"The officers, employees, and agents of the non-federal entity must neither solicit nor accept gratuities, favors, or anything of monetary value from contractors or parties to subcontracts."*

The Omni Circular further requires that for any federal grant involving a parent, affiliate, or subsidiary organization that is not a state or local government, the Town must also maintain written standards of conduct covering organizational conflicts of interest. An organizational conflict of interest means that due to a relationship with a parent company, affiliate, or subsidiary organization, the Town is unable or appears to be unable to be impartial in conducting a procurement action involving the related organization.

Any person with a conflict as described above shall not participate in the preparing of specifications, qualifying vendors, selecting successful bidders on products or services in which they have an interest, or approving payment to those interests. The only exception to this arises if the person makes full disclosure of a potential conflict and receives an advance, written determination from the [State Ethics Commission](#) that the interest is not so substantial as to be deemed likely to affect the integrity of the services the Town may expect from that individual.

Department heads and other officials are required to ascertain and disclose to the Town Administrator any potential conflict of interest affecting procurement transactions before a contract is signed, commitment made, or order placed. The Town Administrator will then notify the Town Accountant, who will verify the availability of funds before any order is placed with a vendor.

The following measures will be taken to ensure the Town avoids any conflicts of interest in procuring Town contracts:

1. Employees, officials, and others who regularly participate in contract activities on behalf of the Town must disclose relevant financial interests as required by state and federal laws and to annually review those statements in conjunction with this policy and other ethical standards.
2. Other persons involved in procurements must review this policy and other ethical standards and provide information in order to determine if there is a conflict of interest. Such persons shall include, but are not limited to, authors of specifications; paid and unpaid evaluators; and paid and unpaid consultants who assist in the procurement process.
3. If a possible conflict of interest is identified, it must be documented and reviewed with Town Counsel.

The departmental purchasing employee will:

1. Identify employees, consultants, outside uncompensated parties, and any other persons who will be involved in a procurement or contract activity, such as specification development, preparation and issuance of solicitations, evaluation of solicitations or submissions, or other evaluations, that will lead to an award of contract.
2. Provide conflict of interest forms to the identified participants.
3. Submit the completed forms to the Town Administrator prior to commencing any procurement or contract activity.

The Town Administrator will:

1. Review the submitted forms for potential conflicts of interest.
2. Discuss any potential conflicts of interest with the Town Counsel and document the resulting determinations.
3. Provide the Board of Selectmen with the documented result.
4. If a conflict or the appearance of one exists, take appropriate actions, including but not limited to, removal of the employee, consultant, or outside uncompensated party from the procurement activity or cancelation of the solicitation.

C. Compliance Reviews

The Town Accountant will conduct random reviews of compliance with this policy. All procurement activities are also subject to audit by the Town's independent Auditor.

REFERENCES

[M.G.L. c. 30B](#)

[M.G.L. c. 41, § 57](#)

[M.G.L. c. 268A](#)

Barre Purchasing policy

State Ethics Commission's webpage [Disclosure Forms for Municipal Employees](#)

Inspector General's webpage [Procurement Assistance](#)

U.S. Office of Management and Budget, December 2013 [Omni Circular](#)

EFFECTIVE DATE

This policy was adopted on [date].

PURCHASING

PURPOSE

To optimize the value received for Town expenditures, assure employees comply with the state's procurement laws, and avoid exposure to any bid disputes, this policy establishes standards and practices for the purchasing of materials, supplies, and services.

APPLICABILITY

This Town-wide policy applies to all employees and officials involved in procurement or purchasing.

POLICY

The Town Administrator is Barre's chief procurement officer (CPO) responsible for ensuring that all purchasing adheres to the competitive quotation and bidding procedures required by state law. To effectively fulfill this role, the Town Administrator will achieve and maintain a designation of Massachusetts Certified Public Purchasing Official through the Office of the Inspector General (IG). In compliance with statute, the Town Administrator will award contracts to the lowest bids received from responsive and responsible vendors.

All department heads are accountable for the purchases made within their departments. Accordingly, all department heads and any designated purchasing employees must read and adhere to the provisions of M.G.L. c. 30B and follow the procurement procedures detailed in the IG's guide, [*The Chapter 30B Manual: Procuring Supplies, Services, and Real Property*](#). In addition, every department head will make all efforts to combine purchasing needs with other departments to avoid waste and seek bulk purchase discounts. The Town Administrator will coordinate with department heads to identify group purchasing opportunities.

All practices associated with procurement and purchasing are subject to audit by the Town's independent auditor.

A. Quotation and Bidding Requirements

Apart from the 34 specific types of exceptions listed under [M.G.L. c. 30B § 1](#), all purchases for goods or services must comply with the following:

- Under \$10,000 requires the use of sound business practices.
- Between \$10,000 and \$49,999 requires solicitation of at least three written quotes.
- \$50,000 or more requires competitive sealed bids or proposals for contracts.

Every department head must assess his or her department's full fiscal year operational needs when considering purchases. No Town department may split up several small purchases of the same product to, in effect, conceal the cost threshold for soliciting bids.

B. Sole Source Procurements

Competitive bids may be waived in instances where there is only one vendor that can provide the relevant equipment, materials, or services. Any department head intending to make a sole source procurement must first submit supporting documents to the Town Administrator for preapproval.

C. Purchasing Employee/Department Head Responsibilities

Department heads will ensure their purchasing complies with the following provisions.

Purchase costing less than \$10,000:

- Ensure compliance with sound business practices by periodically soliciting price lists or quotes in pursuit of favorable prices.

Purchase costing between \$10,000 and \$49,999:

- Create a purchase description that includes the following (as applicable):
 - Detailed description of the product or services required
 - Schedule of performance
 - Quantities required
 - Delivery terms
 - Payment terms
 - Insurance or other special requirements
- Solicit at least three written quotes from vendors according to procedures outlined in the IG's Chapter 30B Manual.
- Submit the purchase description, quotes, and recommended vendor to the Town Administrator for review.
- After the vendor has been selected and purchase made, include a copy of the Town Administrator's notice of the approved bidder when submitting the invoice for payment to the Town Accountant.

Purchase costing \$50,000 and over:

- Work with the Town Administrator on the creation of an invitation for bid (IFB) or request for proposal (RFP).

D. Town Administrator Responsibilities

As CPO, the Town Administrator's responsibilities include the following.

Purchase costing between \$10,000 and \$49,999:

- Review the bids, select the vendor, and notify the department head of the selection.

Purchase costing \$50,000 and over:

- Write an IFB or RFP in accordance with guidelines in the IG's manual.
- Follow the IG's guidelines for advertising the IFB/RFP and for receiving, reviewing and awarding bids.
- Maintain a log of all bids, including the number of them received and their dollar values.
- Work with department heads to write the contract for the awarded vendor and refer proposed contracts for the Town Counsel's review.
- Ensure every finalized contract is signed by the vendor and Board of Selectmen and/or other Town board with statutory responsibility for the particular department. Construction contracts must also be signed by the Town Accountant, per M.G.L. c. 44, § 31C.
- Retain originals of all bid documents, including specifications, vendor responses, evaluations, and award determinations, for six years after the bid due dates.
- Provide the Town Accountant with copies of all executed contracts.

E. Board of Selectmen Responsibilities

The Board of Selectmen will review all proposed contracts and direct any inquires to the Town Administrator and relevant department head. The Select Board members will sign the contract to approve it when satisfied with the terms and with the procurement process that was done.

F. Town Accountant Responsibilities

The Town Accountant will:

- Refer to contract terms when reviewing invoices submitted for payment.
- Conduct random audits of compliance with this policy.

REFERENCES

[M.G.L. c. 30B](#)

[M.G.L. c. 44, § 31C](#)

Barre's policies on Procurement Conflict of Interest and Expenditures: Accounts Payable

MA Inspector General manuals: [*The Chapter 30B Manual: Procuring Supplies, Services and Real Property - Legal Requirements, Recommended Practices and Sources of Assistance, 8th Edition*](#) and [*Designing and Constructing Public Facilities*](#)

EFFECTIVE DATE

This policy was adopted on [date].

RECONCILIATIONS

PURPOSE

To ensure transactions are in balance, mitigate fraud, safeguard general ledger accuracy, and maximize certifications of free cash, financial officers must conduct regular reconciliations of their accounting records, and these must be reconciled to the general ledger. Although each financial officer is responsible for maintaining independent records of his or her office's transactions, they are also collectively accountable for the overall accuracy of Barre's financial records.

APPLICABILITY

This policy applies to the Town Accountant, Treasurer/Collector, and all department heads who manage special revenue funds.

POLICY

The Treasurer/Collector and the department heads who manage special revenue funds will internally reconcile their accounting records and then reconcile them with the Town Accountant at the periodic intervals outlined in this policy.

A. Cashbook Reconciliation

To ensure an accurate accounting of all revenue activity, the Treasurer/Collector will maintain a cashbook that reflects up-to-date and accurate information for all cash and assets. To do so, the Treasurer/Collector will make certain that every cash receipt, disbursement, transfer, and interest accrual is recorded in the cashbook within one week of each transaction. The Treasurer/Collector will reconcile cashbook accounts to their corresponding bank accounts within one week of receiving monthly bank statements. These will include zero-balance vendor and payroll bank accounts, whose balances must equal the outstanding checks at the end of any month.

The Treasurer/Collector will identify all reconciling items, including deposits in transit, bounced and voided checks, and discrepancies between the cashbook and financial institutions, and will correct them when appropriate. The Treasurer/Collector will then forward the reconciled cashbook balances in an Excel report to the Town Accountant and, when necessary, forward an additional Schedule of Receipts for any adjustments made.

B. Payroll Withholdings Reconciliation

Payroll withholdings include federal and state taxes, child support and other wage assignments for legal obligations, deferred compensation, optional insurances, association dues, and other employer-sponsored options, which are all itemized in separate general ledger accounts. The Treasurer/Collector must verify and reconcile all withholdings recorded in SoftRight's payroll module to the actual disbursements.

The Treasurer/Collector will report specific payroll deductions subject to vendor invoices, such as health insurance, to the Town Accountant for recording in the general ledger. To reduce the risk to the Town for liabilities in excess of deductions, the Treasurer/Collector will conduct quarterly reconciliations of those deductions and identify any discrepancies prior to remitting invoices for payment. The Treasurer/Collector will make any necessary payroll changes or adjustments and provide the details of these activities to the Town Accountant.

C. Accounts Receivable Reconciliation

The Treasurer/Collector's accounts receivable are the outstanding monies owed to the Town from tax, excise, and utility bills. To ensure these assets are accounted for and balanced, the Treasurer/Collector will make certain that all cash receipts are recorded timely, maintain a control record for each receivable type and levy year, and verify the detail balance agrees with the receivable control.

The receivable control is a record of original entry in which the Treasurer/Collector reduces a commitment according to processed collections, abatements, and exemptions and increases it by issued refunds. To maintain accuracy, the Treasurer/Collector must review the detailed list of receivables, identify credit balances as prepaid amounts or investigate them for possible correction, and reconcile the control balance to the detail.

Whenever these records do not agree, the Treasurer/Collector must determine the discrepancy by:

- Verifying the various transactions (commitments, abatements, refunds, chargebacks) against their supporting documents
- Comparing the total amount of posted payments to the turnovers accepted by the Treasurer/Collector
- Determining whether any revenues were incorrectly recorded as payments to the commitment, such as interest and fees

The Treasurer/Collector will forward to the Town Accountant a Schedule of Outstanding Receivables report showing the internally reconciled accounts receivable balances.

D. Special Revenue Reconciliation

Governed by various state statutes, special revenue funds are specific revenues segregated from the general fund and earmarked for specific purposes. They include gifts and grants from governmental entities, individuals, and organizations; revolving funds; and receipts reserved for appropriation. To ensure these funds are balanced, department heads with responsibility for special revenue funds will verify that all revenues turned over to the Treasurer/Collector, expenditures authorized for payment by the Town Accountant, and properly authorized transfers are recorded for the period. These department heads will subsequently provide the Town Accountant with quarterly reconciliation reports on the funds.

E. General Ledger Reconciliation

To achieve the core objective of maintaining the general ledger's integrity, the Town Accountant must regularly reconcile it with the separately maintained accounting records outlined in Sections A – D above. In addition, it is the Town Accountant's responsibility to review all accounts analytically from time to time for reasonableness and to identify unusual activity.

The general ledger's cash accounts should reflect only those transactions reported to the Town Accountant by the Treasurer/Collector, so that in theory, the general ledger should be in balance with the cashbook. However, errors may occur due to omitting transfers or transactions or applying

them in the wrong amounts or to the wrong accounts. Whenever the Town Accountant identifies a discrepancy between the general ledger and the cashbook, the following steps must be taken in conjunction with the Treasurer/Collector to determine the cause:

- If the total amount of revenue reported in the cashbook does not agree with the amount recorded in the ledger for that month, the Treasurer/Collector must verify that the monthly Treasurer's Schedule of Receipts agrees by detailed amount and classification with the cashbook and correct any errors.
- Compare the total amount of warrants paid during the month as recorded in the cashbook with the total recorded in the ledger for the same period. The last warrant paid must be the last one recorded; otherwise, a timing problem will create a discrepancy.
- If the records still do not agree, the Treasurer/Collector and Town Accountant must trace each entry to the ledger until the variance is determined.

All receivable records must also be reconciled to the Town Accountant's general ledger. If a given receivable control has been internally reconciled, any discrepancy must be in the general ledger, so the Town Accountant must:

- Review the commitments, charges, payments, abatements, refunds, reclassifications, and adjustments in the general ledger, as appropriate for the particular control.
- Verify whether receipts are recorded to the correct type and levy year.
- Verify the dates that activities were recorded.

The Town Accountant's receivable accounts in the general ledger should reflect the transactions provided by the Treasurer/Collector. Therefore, the above steps must resolve any discrepancies between the receivable control and the ledger. If they do not, the Treasurer/Collector and Town Accountant must trace each ledger entry until they determine the reason for variance.

The Town Accountant will verify that all special revenue fund reconciliations match the general ledger. The responsible department head and Town Accountant must research any discrepancy and correct the record(s) as appropriate.

F. Time frames and Documentation

Employees subject to this policy will complete reconciliations of their internal accounting records early each month so that subsequent reconciliations to the general ledger take place no later than the 15th of the month following the one being reconciled. At each quarter-ending month, the Town Accountant will extend the cash reconciliation process to individually reconcile every general ledger account that directly corresponds to a specific bank account (e.g., stabilization funds, trust funds, guarantee bond deposits).

Each general ledger reconciliation will be documented by a worksheet cosigned by the two parties. If, at that time, any variance has not yet been fully resolved, this must be noted, along with a work plan and timetable for resolution. The Town Accountant will submit the collective set of reconciliation worksheets to the Board of Selectmen quarterly.

REFERENCES

Barre Revenue Receipt and Turnover policy

DLS Best Practice: [*Reconciling Cash and Receivables*](#)

Massachusetts Collectors & Treasurers Association: [*Treasurer's Manual*](#) and [*Collector's Manual*](#)

EFFECTIVE DATE

This policy was adopted on [date].

REVENUE RECEIPT AND TURNOVER

PURPOSE

To safeguard Town assets and maximize cash flow, this policy provides guidelines for departments to receive payments and turn them over to the Treasurer/Collector. Included are details of internal controls designed to provide reasonable assurance that all Town receipts are properly and timely secured, recorded, and deposited in Town bank accounts.

APPLICABILITY

This policy pertains to all cash, check, credit card, and other forms of payment received by all Town departments for taxes, excises, fees, charges, and intergovernmental receipts. It applies to the individuals within each department assigned responsibility for handling payments. It further applies to the Town Accountant's duty to keep the general ledger up to date.

POLICY

The head of each department that receives payments is responsible for instituting and employing the internal controls detailed here to ensure that all receipts are recorded accurately, kept secure from loss or theft, and turned over timely to the Treasurer/Collector. All departments will turn over receipts to the Treasurer/Collector at least weekly and do so the same day whenever the total amount exceeds \$500.

To indemnify the Town from potential revenue losses, the Town Administrator will ensure that surety bonds are maintained for all individuals responsible for handling payments.

All cash management activity is subject to review by the Town Accountant and Barre's independent auditor.

PROCEDURES

Every Treasurer/Collector employee and every Town employee assigned responsibility for handling payments shall have their own cash drawer or lockbox so that no receipts are comingled. Additionally, every check received at the intake department level will be immediately endorsed by the receiver with "For deposit only, Town of Barre" using a rubber stamp or by handwriting. Overpayments may only be accepted by Treasurer/Collector staff.

A. Departmental Staff Receive and Turn Over Revenues

Departmental employees must remit every receipt intact to the Treasurer/Collector; no disbursement may ever be made from any departmental receipt.

Except for Treasurer/Collector staff, the following procedural steps apply to all employees of other Town departments who are authorized to receive payments as part of their job descriptions.

Objective	Steps
A-1) Receive a payment	<ul style="list-style-type: none"> ▪ Use prenumbered receipt books to issue receipts to all individuals paying in person, even when they attempt to refuse them. In the receipt book, note the amount, receipt type, and form of payment (i.e., cash or check). ▪ For all receipts, note the following in the departmental receipt log: <ul style="list-style-type: none"> ○ date

	<ul style="list-style-type: none"> ○ payer ○ amount ○ type of receipt ○ license/permit number, if applicable ○ form of payment
A-2) Secure receipts	Secure all receipts in a locked cash drawer, cashbox, or safe until they are delivered as a turnover to the Treasurer/Collector.
A-3) Create a turnover	<ul style="list-style-type: none"> ▪ List the receipt(s) in the online Schedule of Department Payments to the Treasurer, filling in all the identifying information in the appropriate boxes. ▪ Ensure that all receipts in the Schedule tie back to the receipts log and that no logged receipts are unaccounted for in the Schedule. ▪ Present the Schedule and receipts to your department head. ▪ Department head reviews, and if necessary corrects, the information on the Schedule and signs to approve it. ▪ Make two additional copies of the signed form.
A-4) Turn over receipts	Hand-deliver the Schedule and receipts to the Treasurer/Collector's office. At no time may a turnover package be left unattended in the Treasurer/Collector's office or elsewhere in Town Hall.
A-5) Notify the Town Accountant	<ul style="list-style-type: none"> ▪ Deliver a copy of the accepted Schedule signed by the receiving Treasurer/Collector employee to the Town Accountant. ▪ Retain the other signed copy for department records.
A-6) Segregate duties	<p>To the fullest extent practical by department, separate individuals shall be tasked with:</p> <ol style="list-style-type: none"> 1) receiving payments and issuing receipts; 2) recording payments in the departmental log; and 3) approving turnover Schedules for submission to the Treasurer/Collector.

B. Treasurer/Collector Staff Process Committed Receivable Payments

Note: The Town currently contracts with deputy collector firm, Jeffery & Jeffery, Inc., to collect motor vehicle excises and with Unibank to process online payments for various committed receivables through its UniPay "lockbox" application. Both deposit collections into a bank account under the Treasurer/Collector's control and submit reports of their collection and deposit activity.

Treasurer/Collector staff will take the following steps to process all tax, excise, and utility payments.

Objective	Steps
B-1) Receive payments by mail or over the counter	<ul style="list-style-type: none"> ▪ If no remittance stub was included, print one from VADAR. ▪ Verify whether the amount received equals the amount due on the remittance stub. If it does not, write the actual amount paid on the stub. ▪ For in-person, cash payments (only), use a prenumbered receipt book to issue receipts regardless of whether the payers attempt to refuse them. In the cash receipt book, note: <ul style="list-style-type: none"> ○ date ○ payer ○ amount ○ receivable type (property tax, excise, etc.) and fiscal year ○ bill number

	<ul style="list-style-type: none"> ▪ When cash is received for a payment, stamp “CASH” on the remittance stub. ▪ Create a deposit slip for each day’s cash receipts.
B-2) Secure receipts	Secure all cash receipts and any checks that have not yet been scan-deposited in a locked cash drawer or safe (overnight) until they are deposited in the bank.
B-3) Receive deputy collector report	Receive weekly report of motor vehicle excise collections from Jeffery & Jeffery.
B-4) Recognize e-payments	<ul style="list-style-type: none"> ▪ Download electronic funds transfer (EFT) files from escrow companies. ▪ Download lockbox files from UniPay by date and type to create text files. Repeat until all receivable types have been downloaded. ▪ Upload the EFT and lockbox text files to a VADAR processing folder.
B-5) Post payments	<p>The same day as receipt:</p> <ul style="list-style-type: none"> ○ Use the remittance stubs to post payments in small VADAR batch files. ○ Post each EFT report and lockbox text file to a VADAR batch file. ○ Enter the collection information from Jeffery & Jeffery’s excise report. ○ Print each batch report and file them with their remittance stubs or electronic reports in order of posting.
B-6) Deposit receipts and reconcile them with VADAR postings	<ul style="list-style-type: none"> ▪ The Treasurer/Collector will ensure any received cash is delivered to the bank within 24 hours. ▪ Verify the bank deposit slip for the cash equals the total posted in the VADAR batch. ▪ Scan the checks corresponding to each posted VADAR batch on the remote deposit capture (RDC) scanner. ▪ Verify each RDC batch’s check total equals its posted VADAR batch. ▪ Retain the scanned checks in packages under the cover of the RDC’s batch deposit report.
B-7) Conduct a check-and-balance with control book	<ul style="list-style-type: none"> ▪ In an Excel Daily Collections report, enter each remittance, EFT, and online payment amount to calculate totals received by pay and receivable types. ▪ Verify the totals equal the VADAR Collector’s control book totals and resolve any discrepancies.
B-8) Complete a turnover	<ul style="list-style-type: none"> ▪ On the last workday each week, print a summary VADAR Collector’s control book report for the week. ▪ Review the Treasurer/Collector’s bank accounts online to reconcile the VADAR report with the deposit activity for that week. Research and resolve any discrepancies and note any in-transit deposits for UniPay payments. ▪ Attach a Schedule of Departmental Payments to the Treasurer to the VADAR report, sign the Schedule, and make one copy to retain on file.
B-9) Notify the Town Accountant	Immediately after completing the weekly turnover, send the signed Schedule to the Town Accountant
B-10) Segregate duties	<p>Separate Treasurer/Collector employees shall be tasked with:</p> <ol style="list-style-type: none"> 1) Receiving payments and posting them in VADAR 2) Depositing receipts 3) Completing a turnover

C. Treasurer/Collector Staff Process Direct Treasury Receipts and Turned-over Revenues

Note: The Town currently contracts with Coastal Medical Billing, Inc. to collect ambulance receivables and with Jeffery & Jeffery to collect parking tickets. Both deposit revenues into a bank

account under the Treasurer/Collector's control and submit reports of their collection and deposit activity.

Treasurer/Collector staff will take the following steps to process all turnovers from departments and collections vendors, in addition to direct treasury receipts.

Objective	Steps
C-1) Receive turnovers from departments	<ul style="list-style-type: none"> ▪ Add up the presented checks and/or cash. ▪ Correct any errors directly on the Schedule copies and initial them along with the departmental employee. ▪ When the Schedule is correct, sign the three copies, return two of them, and retain one copy.
C-2) Secure receipts	Secure all cash receipts and any checks that have not yet been scan-deposited in a locked cash drawer or safe (overnight) until bank deposit.
C-3) Deposit receipts	<ul style="list-style-type: none"> ▪ Create a deposit slip for each day's cash receipts. The Treasurer/Collector will ensure any received cash is delivered to the bank within 24 hours. ▪ As the departmental turnovers are received, scan the checks on the remote scanner to deposit them in the bank. ▪ Verify the scanned check total equals the check total on the turnover. ▪ Retain the scanned checks in packages under the cover of the scanner's batch deposit report.
C-4) Recognize direct Treasury revenues	<ul style="list-style-type: none"> ▪ Review daily EFT reports on VendorWeb to identify state aid, grant funds, and other revenue, and notify applicable departments of receipt. ▪ Review banking activity to identify earned interest when doing monthly bank reconciliations.
C-5) Receive turnover reports from vendors	Receive reports of parking collections from Jeffery & Jeffery and ambulance collections from Coastal.
C-6) Complete a turnover	When the Treasury receipts in C-4 and C-5 above are recognized, include them in a Schedule of Departmental Payments to the Treasurer, sign this Schedule, and make a copy.
C-7) Notify Town Accountant of turnover	Immediately after completing the turnover, send the signed Schedule to the Town Accountant
C-8) Data enter revenues	<ul style="list-style-type: none"> ▪ Enter the data from each Schedule into SoftRight packets. These Schedules include all those turned over internally from Collections to Treasury and from Treasury to Treasury, as well as those received from other Town departments. ▪ This data entry will be done the same day that the Treasurer/Collector staff received the departmental Schedule or created the internal Schedule.
C-9) Update the cashbook	Within 24 hours of the revenues being entered in SoftRight, the Treasurer/Collector will record them in the cashbook by noting the banks, deposit amounts, and deposit receipt numbers.

C-10) Notify Town Accountant of revenues	<ul style="list-style-type: none"> ▪ On the last workday each week, print a SoftRight Schedule of Treasurer's Receipts for the week. ▪ Reconcile the Schedule with online banking activity showing the deposits for the same period and resolve any discrepancies. ▪ Also compare the Schedule to the cashbook and resolve any discrepancies. ▪ Sign the Schedule, make one copy to retain on file, and send the original to the Town Accountant. ▪ If necessary, prepare a final Schedule of Treasurer's Receipts to record interest or any other month-end receipts and provide it to the Town Accountant.
C-11) Segregate duties	<p>Separate Treasurer/Collector employees shall be tasked with:</p> <ol style="list-style-type: none"> 1) Receiving turnovers and scan-depositing the checks 2) Delivering cash turnovers to the bank 3) Posting receipts in SoftRight 4) Reconciling the SoftRight weekly report of revenues with online banking activity and sending the Schedule of Treasurer's Receipts to the Town Accountant

D. Town Accountant Office Staff

The Town Accountant's office shall have an inbox for receiving Schedules from departmental employees and Treasurer/Collector staff.

Objective	Steps
D-1) Receive a turnover report	Verify that each Schedule of Department Payments or Schedule of Treasurer's Receipts has been signed by a Treasurer/Collector staff member. When it is not, call the person who provided the report to investigate why.
D-2) Conduct a check-and-balance on the Schedules	<ul style="list-style-type: none"> ▪ Within one week of receiving each Schedule of Department Payments, match its data with the Treasurer's Schedule of Receipts. ▪ Verify the general ledger (GL) account numbers for all receipts. ▪ Investigate any discrepancies with the department head or Treasurer/Collector.
D-3) Update the GL	Validate the receipts packet in SoftRight and post the data into the GL.
D-4) Audit receipt processing	<ul style="list-style-type: none"> ▪ At least once a year, make site visits to departments to audit their receipt processing, including tracing samples of receipt log listings to their deposits. ▪ Submit a written audit report to the Town Administrator with any necessary recommendations for improving procedures.

REFERENCES

[M.G.L. c. 41, § 35](#)

[M.G.L. c. 41, § 57](#)

[M.G.L. c. 44, § 69](#)

[M.G.L. c. 60, § 57A](#)

Barre policies on Ambulance Receivables and Reconciliations

Massachusetts Collectors & Treasurers Association's [Treasurer's Manual and Collector's Manual](#)

EFFECTIVE DATE

This policy was adopted on [date].

NOTE: This policy can only be adopted after Barre’s town meeting accepts M.G.L. c. 200A § 9A.

TAILINGS

PURPOSE

To minimize the liability posed by uncashed checks and its negative impact on cash position certainty, this policy sets guidelines for the timely resolution of tailings.

A tailing refers to a disbursed but uncashed check, which represents a debit liability on the Town’s books. It can arise from any treasury check issued to pay an employee or vendor, refund a municipal tax or charge, or pay any other municipal obligation. Tailings constitute unclaimed property under M.G.L. c. 200A. Having accepted M.G.L. c. 200A § 9A, the Town can expedite the tailing resolution process and prevent the eventual escheatment of the funds to the State Treasurer, as otherwise required. This policy sets forth the steps that must be taken to properly manage tailings under § 9A.

APPLICABILITY

This policy applies to the Treasurer/Collector, Town Accountant, and all department heads.

POLICY

Every check issued by the Treasurer/Collector will have imprinted on its face: “Void if not cashed within one year of issuance.” On a monthly basis, the Treasurer/Collector will identify all uncashed checks older than 30 days and attempt to resolve them using the procedures outlined below. Furthermore, at the start of each calendar year, the Treasurer/Collector and Town Accountant will work together to resolve accumulated tailings, either by prompting the actual pay out or through escheatment to the Town.

PROCEDURES

A. Monthly Review

Once a month, as part of the bank reconciliation, the Treasurer/Collector will identify all the uncashed checks in the bank statements and enter them into an Excel spreadsheet log of outstanding checks. The Treasurer/Collector will then determine which checks in the cumulative log are outstanding 30 days or more after issuance. The Treasurer/Collector will email the department head associated with each such check to follow up with the employee or vendor payee. The department head will attempt to contact the payee by phone to determine why the check has not been cashed. For all checks still outstanding two weeks after notifying the departments, the Treasurer/Collector will send an uncashed check notice to each payee at his or her last known address.

Also once a month, the Treasurer/Collector will identify all checks that are uncashed more than one year after issuance and notify the bank to stop payment on them. After this point, the checks may still be claimed by the payees but will require reissuance. The Treasurer/Collector will provide a report of the stop-paid checks to the Town Accountant, who will then record the funds as abandoned property liability in the general ledger.

B. Yearly Review

In the month of January each year, the Treasurer/Collector will review the accumulated inventory of stop-paid tailings and do the following:

1. List the unclaimed checks on the Town's website for a minimum of 60 days under the heading: "Notice of names of persons appearing to be owners of funds held by the Town and deemed abandoned." Along with payee names, this notice will detail the process to claim funds and set a deadline for making a claim not less than 60 days after the initial posting date of the notice on the website.
2. For all checks still unclaimed after the website deadline, publish a notice of the checks in the Newburyport Daily News. This notice will be in the same form as the website posting and state a new claim deadline not less than 60 days after the publication date.
3. After 60 days lapse from the newspaper publication, send a notice of all unclaimed funds under \$100 to the Town Accountant. For those \$100 or greater, publish a second notice in the Daily News with the same language as the previous except that it provides a deadline for claiming the funds at least one year after the new publication date.
4. Schedule a calendar prompt one year after the second publication date to review the checks and notify the Town Accountant of all those that are still unclaimed at that time.

C. Escheatment

Upon receipt of either notice from the Treasurer/Collector described in Section B above, the Town Accountant will escheat the listed funds. This involves reversing the abandoned property liability and recognizing the funds as revenue.

D. Check Claiming

At any point prior to escheatment, if a payee contacts the Treasurer/Collector to claim a check, the Treasurer/Collector will review the claim for validity and timeliness. If deemed appropriate, the Treasurer/Collector shall submit the claimed amount to the Town Accountant for inclusion on the next disbursement warrant.

E. Audit

All activity related to tailings is subject to audit by the Town Accountant and independent auditor.

REFERENCES

[M.G.L. c. 200A, § 9A](#)

EFFECTIVE DATE

This policy was adopted on [date].

TAX ENFORCEMENT

PURPOSE

To provide guidance for equitably enforcing tax obligations and set expectations for both the Town and taxpayers, this policy clearly defines when and how the Town will transition unpaid property taxes from tax title through to foreclosure. It is in the best interest of the Town and its residents that property taxes be paid when due. The Town budget is set in anticipation of the collection of taxes, and taxes not paid by some property owners shift the cost burden onto others. The Town recognizes that individuals may go through periods of financial difficulty, but any taxpayer who becomes delinquent will be encouraged to find alternative resources to pay in full as soon as possible.

APPLICABILITY

This policy applies to the job duties of the Treasurer/Collector, including the responsibility for managing services contracted through the Town's tax title attorney. Tax enforcement applies to all Barre real estate property owners whose taxes or water/sewer charges are not exempt.

POLICY

The Town intends to timely pursue all legal methods to collect taxes from delinquent property owners with the aim of achieving a minimum collection rate target of 98 percent by fiscal year-end. A tax delinquency is defined as a bill outstanding at least one year and one day after its final due date, and it represents a lien on property that remains in effect until all taxes, interest, and fees have been paid in full. The costs of all collection methods are added to the real estate tax bill and property lien. The Town will also periodically pursue foreclosure actions with the primary objective of receiving all monies due.

A. Demands

Final taxes are due to be paid as of May 1 each year (the due date for the fourth quarter tax bill). No later than June 1, the Treasurer/Collector will issue demand notices to all assessed property owners who have failed to pay in full, have not been granted full exemptions, and do not have automatic status on record due to bankruptcy filings.

B. Tax Taking

The Treasurer/Collector will begin the tax taking process within 60 days of the demand notice. State law allows the process to begin as soon as 15 days after the demand, but, in every case, the Treasurer/Collector must complete the takings within 3½ years from the end of the fiscal year for which the taxes were assessed to secure, or perfect, the tax liens. The Treasurer/Collector shall carefully document the taking process to preserve the Town's rights for future actions.

The Treasurer/Collector will send at least one enforcement letter to delinquent property owners as a courtesy to potentially avoid a tax taking advertisement. If this does not result in full remittance by September 1, the Treasurer/Collector will publish a Notice of Tax Taking in a local newspaper and post the notice in two or more convenient, public places. The Treasurer/Collector customarily publishes notices in the Barre Gazette and posts them on bulletin boards at Town Hall and the library. From this point forward only cash, certified check, or cashier's check are acceptable forms of payment.

Within 60 days of the tax taking announcements, the Treasurer/Collector will prepare an Instrument of Taking form for each delinquent property and record them at the Registry of Deeds to perfect the tax liens. After receiving the recorded Instruments back from the Registry, the Treasurer/Collector will notify the affected property owners of the liens by sending each of them a letter and a copy of the Instrument. The Treasurer/Collector will provide copies of the List of Recorded Takings to the Town Accountant and Town Administrator.

C. Subsequent Taxes

After the demand bill and before June 15 each year, the Treasurer/Collector will certify all unpaid taxes for parcels of real estate taken into tax title for nonpayment of taxes in prior years and not yet redeemed and put them in a Subsequent Tax Takings report. The Treasurer/Collector will provide copies of the report to the Town Accountant and Town Administrator and retain one on file.

D. Interest, Fees, and License Revocation

All delinquent taxpayers are subject to charges, which the Treasurer/Collector will add to their accounts and tax bills. These include interest accrued to the date of tax taking, advertising fees, certified mailing costs, legal fees, and all recording fees.

The Treasurer/Collector will create a list of all the individuals who are delinquent in paying taxes or other charges and provide it to the Town departments, boards, and committees that issue licenses and permits. These authorities will review the list to deny, suspend, or revoke delinquent taxpayers' licenses and permits.

E. Tax Title Payment Agreements

This section is subject to the adoption of a tax title payment agreement bylaw, [M.G.L. c. 60, § 62A](#).

The Treasurer/Collector will pursue and establish payment agreements for parcels in tax title to allow delinquent taxpayers to pay off their tax liens over time. The Treasurer/Collector will actively monitor compliance with all such agreements, which will have the following features in common:

- *Signed agreement between the Treasurer/Collector and taxpayer*
- *Upfront payment of at least 25 percent of the full balance owed*
- *Specific amount to be paid each month*
- *Incorporation of payments for the current tax bill*
- *Agreement term not exceeding five years*
- *Statement that defaulting on the agreement will immediately trigger foreclosure action by the Town*

For taxpayers who fully comply with their payment agreements, the Treasurer/Collector will waive [50 percent] of the interest accrued on their tax title accounts.

F. Redemption or Foreclosure

The primary policy goal of the foreclosure process is to receive the outstanding amounts owed. At least once every year, the Treasurer/Collector will review all tax title properties that are older than

180 days and do not have payment agreements or bankruptcy recordings. From these, the Treasurer/Collector will identify all properties of significant value to process for potential foreclosure in Land Court. To do this, the Treasurer/Collector will thoroughly verify the properties' enforcement histories before referring them to the tax title attorney, beginning with those having the largest dollar value of taxes owed.

As manager of the service contract, the Treasurer/Collector will ensure the tax title attorney complies with the objectives laid out in this policy section. The Treasurer/Collector will work with the tax title attorney to prepare parcels in tax title status for foreclosure, beginning by providing each Instrument of Taking. The tax title attorney will research the tax title properties and also mail new collection enforcement letters to the taxpayers telling them of the importance of redeeming the property and warning of potential foreclosure action.

If a taxpayer or other party pays the outstanding amount on a tax title property, the Treasurer/Collector will prepare an Instrument of Redemption and file it at the Registry of Deeds, which removes the lien. Redemption can only be done prior to the property being foreclosed. If the obligation remains unpaid, the tax title attorney will proceed with foreclosure action in Land Court, possibly resulting in auctioning of the property.

In addition to Land Court foreclosure referrals, the Treasurer/Collector is responsible for completing foreclosures on any properties below the "Land of Low Value" threshold, which is annually updated each spring by the Division of Local Services (DLS).

REFERENCES

M.G.L. c. 60, § 6	M.G.L. c. 60, § 16	M.G.L. c. 60, § 50	M.G.L. c. 60, § 53
M.G.L. c. 60, § 54	M.G.L. c. 40, § 57	M.G.L. c. 60, § 61	M.G.L. c. 60, § 62
M.G.L. c. 60, § 62A	M.G.L. c. 60, § 63	M.G.L. c. 60, § 76	M.G.L. c. 60, § 77
M.G.L. c. 60, § 79	M.G.L. c. 60, § 80		

Barre bylaw Chapter 59 Section 2: Denial, Revocation or Suspension of Licenses and Permits

DLS Best Practice: [Enforcing Collections](#)

DLS Guidance: [Local Tax Collection FAQs](#)

DLS Informational Guideline Releases 03-210: [Collection Costs and Procedures](#), 05-208: [Payment Agreements and Tax Receivable Assignments](#) and [Land of Low Value Foreclosure Valuation Limit](#) (updated annually)

Massachusetts Collectors & Treasurers Association: [Treasurer's Manual](#) and [Collector's Manual](#)

EFFECTIVE DATE

This policy was adopted on [date].

YEAR-END CLOSING

PURPOSE

To ensure local officials have accurate financial data in adequate time to make necessary budgetary decisions, the Town must properly close its books promptly after the fiscal year ends. Failure to adhere to a timely schedule delays the completion of closing entries, trial balances, reconciliations, account analyses, and financial reporting. As an important reserve, the Town's annual free cash cannot be certified expeditiously and accurately unless applicable employees adhere to best practice year-end schedules and procedures. To meet these objectives, this policy specifies the year-end tasks that must be completed, their associated deadlines, and the parties responsible.

APPLICABILITY

This town-wide policy applies to the responsibilities of all department heads in managing and reporting on their budgets and assets. It further applies to the related year-end compilation, reconciliation, and/or oversight duties of the Town Administrator, Town Accountant, and Treasurer/Collector. Additionally, it pertains to the budget transfer authority of the Board of Selectmen and Finance Committee.

POLICY

The Town Administrator will hold every department head accountable for timely and accurately completing the year-end tasks applicable to each as outlined in this policy. This additionally requires the Town Administrator to ensure that the Town Accountant and Treasurer/Collector comply with the Reconciliations policy throughout the year to enable year-end cash and receivable balances to be reconciled with the general ledger no later than July 30.

Annually no later than May 15, the Town Administrator will email this policy to all department heads as a reminder of year-end expectations. The Town Administrator will subsequently oversee the coordination of the various year-end task components under the time frames and procedures outlined in this policy.

By June 1, the Town Accountant will transmit year-end instructions to department heads and provide them with the following submission deadlines:

- A. Requests for encumbrances by June 15 (see request form in the appendix)
- B. All available invoices by June 30
- C. Status reports on the balances of grants, other special appropriations and special revenue accounts by July 15
- D. Status reports or updates on capital projects, capital assets, and borrowings by August 1

All facets of the year-end closing will be accomplished no later than October 31.

A. Year-end Encumbrances

With proper documentation, the Town Accountant will encumber funds that have been committed to specific purchases (by purchase orders), services (by service agreements), projects (by contracts), or salary as of June 30.

B. Review of Grant Balances, Other Special Appropriations, and Special Revenue Accounts

By May 15, the Town Accountant will distribute management reports of all grant, special appropriation, and special revenue accounts to the responsible department heads to solicit status updates on them. Each such department head will notify the Town Accountant in writing of any completed project with an unexpended balance so that she may close its account to fund balance (or to a special revenue source, if appropriate). Alternatively, if any completed project's account is in deficit, the department head will notify the Town Accountant in writing, provide funding source(s), and state when it will be resolved so that she can plan for closing the account.

The Town Accountant will carefully review any special appropriation account remaining open but inactive in the general ledger for more than two fiscal years to ensure it does not serve as an unauthorized special revenue funding source.

C. Capital Project Reviews, Capital Asset Updates, and Borrowings

As of March 1, the Town Accountant will review all capital project accounts to ensure that any internal borrowings done in anticipation of short- or long-term debt issuances have been covered. For any identified deficits:

- If debt had been authorized, the Town Accountant will notify the Treasurer/Collector to initiate a short-term borrowing in an amount sufficient to cover the deficit no later than June 30.
- If debt had not been authorized, the Town Accountant will refer the shortfall to the Town Administrator to either submit it for a debt authorization or appropriation from available funds by town meeting or for a line-item transfer by the Board of Selectmen and Finance Committee (see section D below).

By June 15, the Town Accountant will distribute via email a capital asset list to department heads along with next-step instructions. By no later than August 1, each department head with capital assets will respond by forwarding to the Town Accountant an asset update report with notes confirming the existing data, making additions, and/or noting appropriate deletions, along with narrative explanations. The Town Accountant will update the Town's capital asset inventory based on the returned information.

D. Year-end Transfers

The Town Accountant will pay close attention to any appropriation deficits that may be rectified through line-item transfers and notify the Town Administrator. No earlier than May 1 and no later than July 15, the Town Administrator will put any necessary transfer request on the Finance Committee's meeting agenda, followed by the Board of Selectmen's meeting agenda, for their authorizations by majority votes.

E. Closing the Books

No later than August 31, the Town Accountant will do the following to close the books:

- Conduct a reconciliation of each fund type in turn (including transfers between funds) and, when completed, close each fund in the general ledger.
- Zero out all open encumbrances from the prior fiscal year.
- Verify the new opening balances of all special revenue funds.
- Calculate the general fund's unreserved fund balance.

F. Submissions to the Division of Local Services (DLS)

Submissions to DLS will comply with the time frames listed below.

Town Accountant:

- | | |
|---|--------------|
| ▪ Snow and ice data sheet | September 15 |
| ▪ Combined balance sheet and supporting documents | September 30 |
| ▪ Schedule A | October 31 |

Town Accountant and Treasurer/Collector:

- | | |
|--|--------------|
| ▪ Statement of indebtedness | September 30 |
| ▪ Treasurer/Collector's year-end cash report | September 30 |
| ▪ Cash reconciliation | September 30 |
| ▪ Schedule of outstanding receivables | September 30 |

FORMS

Encumbrance request

REFERENCES

[M.G.L. c. 44, § 33B](#) [M.G.L. c. 64, § 64](#) [M.G.L. c. 59, § 5](#)

Barre policies on Tax Enforcement, Grants Management, and Reconciliations

DLS Informational Guideline Release 17-13: [Appropriation Transfers](#)

Governmental Accounting Standards Board Statement 1: [Objectives of Financial Reporting](#)

Government Finance Officers Association Guidance: [Timely Financial Reporting](#)

EFFECTIVE DATE

The policy was adopted on [date].

APPENDIX

POLICY LOG

BUDGETING & FINANCIAL PLANNING

Policy	Adopted	Last Reviewed	Amended
Capital Planning			
Debt Management			
Financial Reserves			
Forecasting			
Indirect Cost Allocation			
Investments			
OPEB Liability			
Prospective Shared Services			

FINANCIAL OPERATIONS

Policy	Adopted	Last Reviewed	Amended
Ambulance Receivables			
Annual Audit			
Antifraud			
Employee Reimbursement			
Expenditures: Accounts Payable			
Expenditures: Payroll			
Financial Management Team			
Grants Management			
Procurement Conflict of Interest			
Purchasing			
Reconciliations			
Revenue Turnover			
Tailings			
Tax Enforcement			
Tax Recapitulation			
Year-end Closing			

FORMS

TOWN OF BARRE

SCHEDULE OF DEPARTMENTAL PAYMENTS TO TREASURER

No. _____ Dep't _____ Date _____

FROM WHOM Payee	SOURCE Source of Revenue	CHECK/CASH	AMOUNT	TOTAL
	Account #			

To the Officer making the Payment:

Received of _____, the sum of
_____ Dollars,
for the _____ ending _____, for
collections as per schedule of this date, filed in my office.

DEPARTMENT

TREASURER

TOWN OF BARRE
SCHEDULE OF DEPARTMENTAL BILLS PAYABLE

To the Town Accountant:

Date: _____

Department: _____

Account #: _____

Total: _____

Approved by: _____
(Name/Title)

NAME OF VENDOR	INVOICE#andPURPOSE OF EXPENDITURE	AMOUNT	TOTAL

TOWN OF BARRE
WAGE AUTHORIZATION

Date: _____

Department: _____

Department Supervisor & Title: _____

Employee Name: _____

New Hire:

Position: _____ Start Date: _____

Proposed Classification & Step _____

Hourly/salary _____

Current Employee:

Current Position, Classification & Step: _____

Start Date: _____

Present Hourly/salary: _____

Proposed Position, Classification & Step: _____

Effective Date of Increase: _____

Proposed Hourly/salary: _____

% of increase: _____

Signature & Date, Department Head _____

Signature & Date, Personnel Administrator _____

Notes:

CC: Treasurer, Town Accountant, Department Supervisor

TOWN OF BARRE PAYROLL

Employee Name: _____

For the Pay Period: _____

Position: _____

GL Account #: _____

<i>Date</i>	<i>Time In</i>	<i>Time Out</i>	<i>Total Hours Worked</i>	<i>Regular</i>	<i>Vacation</i>	<i>Personal</i>	<i>Sick</i>	<i>Holiday</i>	<i>OT</i>
TOTAL									

	<u>Rate</u>	<u>Hours</u>	
Regular Rate of Pay	_____ x	_____	= \$ _____
Over Time Rate of Pay	_____ x	_____	= \$ _____
Weekly Payroll Total:	_ \$ _____		

I certify this record is true and complete:

Employee Signature Date

Reviewed and approved for payment:

Department Head/Supervisor Date

NAME: _____
POSITION: _____

POSITION: _____

DATE OF TOTAL:	TRIP		MILES	TRIP METER MILEAGE	EXPENSES (Attach Receipts)	REASON FOR TRAVEL & EXPENSE (Expenses: list (i.e. food, tolls, parking, meals, phone, etc))
	FROM	TO				
			0.0			
			0.0			
			0.0			
			0.0			
			0.0			
			0.0			
			0.0			
			0.0			
			0.0			
			0.0			
			0.0			
			0.0			
			0.0			
			0.0			
			0.0			
			0.0			
			0.0			
			0.0			
			0.0			
			0.0			
			0.0			
			0.0			
TOTAL:			0.0	0.0	0.00	

Signature: _____

TOWN OF BARRE

NOTICE OF AMOUNTS TO ENCUMBER

TO: Town Accountant

FROM:

DATE:

Please encumber the total amount of \$_____ from the FY_____Account

(account # _____) for the purposes listed below.

Vendor	Item	Date Ordered	\$ Amount
			TOTAL:

When the above listed invoices arrive, I will place them on a separate bill schedule and ask that they be paid from the account number that will be assigned to this Encumbrance.

Signed_____Date_____

ACKNOWLEDGEMENT

I have received a copy of the Town of Barre's Administration and Finance Policies and Procedures adopted by the Board of Selectmen on March 17, 2014 and as amended on October 6, 2014. I understand that I am responsible for reading the policies and guidelines described within it and that this signed acknowledgement form will be placed in my personnel file.

Name (Print)

Signature

Date

Witness