



## ***Board of Finance Policy # 2016-2***

**Subject:** End of Fiscal Year Budget Reconciliation

**Purpose:** Per Connecticut General Statute Section 7-349\*\*, anyone who expends town funds above that which has been approved in the budget is personally liable to the town to restore those the budget funds.  
This Policy is intended to provide direction in ensuring a full reconciliation immediately after June 30 and prior to the audit process.

**Policy:**

1. No department or person is authorized to expend any funds which have not been previously approved in the town's annual budget.
2. All general government departments are required to monitor spending on a monthly basis, providing all necessary information to the Board of Selectmen for inclusion in their monthly Profit/Loss report which is provided to the Board of Finance.
3. The Board of Education will monitor their spending to ensure adherence with the approved budget, providing a monthly status report to the Board of Finance.
4. Immediately upon the close of the fiscal year, internal transfers will be requested to compensate for any overspent line items. These transfers will be accomplished interdepartmentally.
5. If a particular department has exhausted all of their approved funding, a cross-department transfer may be necessary. All transfers will be coordinated through the Board of Selectmen, and approved by the Board of Finance.



## ***Board of Finance Policy # 2016-2 (cont'd.)***

**Subject:** End of Fiscal Year Budget Reconciliation

6. The previously approved Board of Finance transfer/added appropriation form will be used to document all requests. A full written explanation will also be provided for each action.

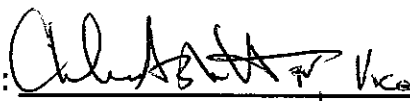
7. The Board of Finance will be immediately notified of any anticipated over-expenditures. Notification will include a full written disclosure of what has occurred to create the condition.

8. The Board of Finance will act on transfer/added appropriation requests at their next scheduled meeting after appropriate completed written documentation has been provided.

***\*\* CGS Sec. 7-349. Penalty. Any officer who, in violation of any provision of this chapter, expends or causes to be expended any money of such town, except for the purpose of paying judgments rendered against such town, shall be liable in a civil action in the name of such town, and the amount so drawn from the treasury of such town shall be liquidated damages in such action against any such officer.***

**Policy Approved on:** 12/21/2016

**Vote:** 4-0-0

**Chairman:** , *Vice Chairman*

**Secretary:** 