



# CAPITAL PROJECT POLICY AND PROCEDURES

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Presented by: Marshfield Department of  
Finance Team

March 5<sup>th</sup> 2018

# PURPOSE

- The Finance Team has identified a number of communication failures between departments in relation to Capital Projects
- Projects are not being tracked efficiently by Department Heads who have requested and received funds
- This has caused a sum of money to be essentially “sitting idle” and not being re-appropriated or closed out to the General Ledger

# ACTION

- The Finance Team is proposing a new policy, including a tracking sheet, of all future fund request
- This policy will improve communications and hold each Department Head responsible for the projects they have at Town Meeting requested to be funded

# SAMPLE

## TOWN MEETING FUND APPROPRIATION SIGN OFF SHEET

PROJECT NAME: \_\_\_\_\_

DEPARTMENT	TOWN MEETING AND ARTICLE	AMOUNT APPROVED	FUNDING SOURCE	G / L ACCOUNT NUMBER	REMAINING BALANCE TO BE CLOSED OUT
CLERKS	ATM 2018 # 10	100000			
TREASURER / COLLECTOR			BORROWING		
ACCOUNTING				1000155566	1000
DEPARTMENT HEAD					1000

DATE:

DEPARTMENT HEAD SIGNATURE: \_\_\_\_\_

ACCOUNTANT SIGNATURE: \_\_\_\_\_

# POLICY

- After town meeting any department that received a vote for appropriation of Special or Capital items will be required to initiate a sign off request form.
- The sign off request form will begin with a project name which the department will choose
- Next the department will certify with the Town Clerk the Town Meeting Date in which the funds were appropriated and the Article number inside the warrant
- The Treasurer will then verify the funding source
- The Accountant will then create a general ledger code for the specified project
- At the Completion of the project, the Department Head is to notify the Accountant and both the Department Head and Accountant, must verify the total balance remaining. Both are required to “sign off” on the project being completed, and to close out the account
- If there is a balance remaining, the sign off sheet should be returned to the Treasurer
- The Treasurer will be responsible to keep records of all funds available for re-appropriation, and will present this to the Town Administrator for the next Town Meeting

# CONTROLS

- This policy will still allow the Purchase Orders to go through the same process in which they are done currently ( that system works)
- The Town Administrator will still have the authority to accept or reject any Purchase Orders applied to the Project
- The Town Accountant will be the record keeper of the account, and both Dept. Head and the Accountant will have to sign off on project completion

# Remaining Balances....

- Going forward should there be balance at project completion, the Accountant will then notify the Treasurer
- The Treasurer will work with the Town Administrator and appropriate agencies, to ensure that the funds are being re- appropriated properly and expeditiously, according to Massachusetts General Laws
- There is to be no funding of future alike projects unless completion of all prior projects are finalized or a timeline is given and approved by the BOS

# CLOSING REMARKS

- The balances on the ledger have accumulated over several years, due to lack of oversight
- These balances will not disappear overnight, however this is a great “first step” in improving our project management and communication protocols
- Simply speaking, this policy requires all parties requesting funds, to have “some skin in the game” from beginning to end