

## Unexpended Funds Account Provision

Sec. 285. Section 10-248a:

For the fiscal year ending June 30, 2020, and each fiscal year thereafter, notwithstanding any provision of the general statutes or any special act, municipal charter, home rule ordinance or other ordinance, the board of finance in each town having a board of finance, the board of selectman in each town having no board of finance or the authority making appropriations for the school district for each town may deposit into a nonlapsing account any unexpended funds from the prior fiscal year from the budgeted appropriation for education for the town, provided (1) such deposited amount does not exceed two percent of the total budgeted appropriation for education for such prior fiscal year, (2) each expenditure from such account shall be made only for educational purposes, and (3) each such expenditure shall be authorized by the local board of education for such town.

### Proposed Suffield Provision

#### **OPERATING AGREEMENT AND PROCEDURES BETWEEN THE BOARD OF FINANCE AND THE BOARD OF EDUCATION OF THE TOWN OF SUFFIELD REGARDING AN UNEXPENDED FUNDS ACCOUNT**

WHEREAS, the Suffield Board of Finance and Suffield Board of Education have voted to establish a non-lapsing Unexpended Education Funds account (the "Account"), in accordance with Chapter 10-248a of the Connecticut General Statutes; and,

WHEREAS, the two aforementioned Boards have agreed to establish the following procedures with respect to the Account:

1. The Board of Education may designate all or part of any operating surplus for a given fiscal year to be allocated to the Account, subject to the approval of the Board of Finance, and the allocation shall be recorded following the end of the fiscal year;
2. The amount of the allocation cannot exceed ~~2%~~ the state mandated maximum percentage (under section 285 - Chapter 10-248a) of the Board of Education's total operating budget for that fiscal year;
3. The Account can be used for the expressed purpose of Unanticipated/~~unbudgeted~~ Special Education Expenses (Tuition, Transportation, or Due Process), Unanticipated Capital Non-re-occurring Expenses, or other unanticipated emergency expenditures voted on and approved by the Board of Finance;
4. The Board of Education shall submit a formal request to the Board of Finance through the Town Director of Finance for any expenditure of funds from the Account. If the reason for the request is one of the stated purposes listed in item 3, the request shall be ~~approved~~ considered and voted on for approval by the Board of Finance at its next regularly scheduled meeting following the date of receipt of the request, provided, however, that there are at least five (5) business days in between the date of receipt of the request and the date of the next regular Board of Finance meeting. In the event there are

not at least five (5) business days intervening between the date of receipt of the request and the date of the next regular meeting of the Board of Finance, or in the event the Board of Finance shall require additional time to investigate the request to determine to its satisfaction that the request is for one of the stated purposes listed in item 3, the Board of Finance shall have the right to continue its review of the request for up to thirty (30) days following the date of receipt of the request.;

5. The account shall be maintained by the Town Finance Director;
6. The funds in the Account may be invested in any manner in which public funds may be lawfully invested. ~~Investment income earned by the funds held in the fund will remain in the fund;~~
7. In the event of a termination of the Account, any remaining funds in the Account shall be ~~deposited~~ transferred into the Town of Suffield's ~~General Fund~~ Undesignated Fund. Termination of the fund will require approval by both the BOF and the BOE.

NOW, THEREFORE, this Operating Agreement shall remain in effect until such time that both aforementioned Boards agree to rescind or amend it, or until the Connecticut General Assembly repeals or revises C.G.S. Section 10-248a.