

## SECTION D: FISCAL MANAGEMENT

---

DA*	Fiscal Management Goals
DAA	Fiscal Management Priority Objectives
DB*	Annual Budget and Appropriations Measure
DBA	Budgeting System
DBB	Fiscal Year
DBC	Budget Deadlines and Schedules
DBD*	Budget Planning (Five-Year Forecast)
DBE	Determination of Budget Priorities
DBF	Dissemination of Budget Recommendations
DBG	Budget Hearings and Reviews
DBH*	Budget Adoption Procedures (Tax Budget)
DBHA	Budget Referenda
DBI	Budget Appeals Procedures
DBJ	Budget Implementation
DBK*	Budget Modification Authority
DC	Taxing and Borrowing Authority/Limitations
DD*	Funding Proposals and Applications
DE*	Revenues from Tax Sources
DEA	Revenues from Local Tax Sources
DEB	Revenues from State Tax Sources
DEC	Revenues from Federal Tax Sources
DF	Revenues from Nontax Sources
DFA*	Revenues from Investments
DFAA	Use of Surplus Funds
DFB	Revenues from School-Owned Real Estate
DFC	Grants from Private Sources
DFD	Rental and Service Charges
DFE	Gate Receipts and Admissions
DFEA	Free Admissions
DFF	Royalties
DFG	Income from School Shop Sales and Services
DG	Depository of Funds
DGA*	Authorized Signatures (Use of Facsimile Signatures)
DGB	Check-Writing Services

SECTION D: FISCAL MANAGEMENT  
(Continued)

DH	Bonded Employees and Officers
DI*	Fiscal Accounting and Reporting
DIA	Accounting System
DIB	Types of Funds
DIC	Financial Reports and Statements
DID*	Inventories (Fixed Assets)
DIE*	Audits
DJ*	Purchasing
DJA	Purchasing Authority
DJB	Petty Cash Accounts
DJC*	Bidding Requirements
DJD	Local Purchasing
DJE	Cooperative Purchasing
DJF*	Purchasing Procedures
DJG	Vendor Relations
DJGA	Sales Calls and Demonstrations
DJH*	Credit Cards
DK*	Payment Procedures
DL*	Payroll Procedures
DLA	Payday Schedules
DLB*	Salary Deductions
DLC*	Expense Reimbursements
DM*	Cash in School Buildings
DN*	School Properties Disposal

\*denotes areas covered by Board policy

## FISCAL MANAGEMENT GOALS

The quantity and quality of learning programs are related to the funding provided and the effective, efficient management of those funds. It follows that the District's purposes can best be achieved through prudent fiscal management.

Due to resource limitations, there is sometimes a temptation to operate so that fiscal concerns overshadow the educational program. Recognizing this, it is essential that the Board take specific action to make certain that education remains central and that fiscal management contributes to the educational program. This concept is incorporated into Board operations and into all aspects of District management and operation.

As trustees of the community's investment in the facilities, materials and operational funds, the Board has a fiduciary responsibility to ensure that the investment is protected and used wisely. Competent personnel and efficient procedures are essential for sound management of fiscal affairs. The Board expects that the Superintendent and the Treasurer keep it informed through both oral and written reports on the fiscal management of the District.

With the cooperation of the Treasurer and assistance from other designated personnel, the Superintendent is expected to develop an efficient and effective procedure for fiscal accounting, purchasing and the protection of plant, grounds, materials and equipment through prudent and economical operation, maintenance and insurance.

The Board seeks to achieve the following goals to:

1. engage in thorough advance planning, with staff and community involvement, in order to develop budgets and to guide expenditures to achieve the greatest educational returns for the dollars expended;
2. establish levels of funding which provide high quality education for the District's students;
3. use the best available techniques for budget development and management;
4. provide timely and appropriate information to all staff with fiscal management responsibilities and
5. establish effective procedures for accounting, reporting, business, purchasing and delivery, payroll, payment of vendors and contractors and all other areas of fiscal management.

The Board collects and assembles the information necessary to discharge its responsibility for the fiscal management of the District and to plan for the financial needs of the educational program. The Board strives toward maintaining both short and long-range projections of District financial requirements.

Accordingly, the Board directs the Treasurer to:

1. include cost estimates in all ongoing financial requirements;
2. prepare a long-range year-by-year plan for the maintenance and replacement of facilities and equipment;
3. maintain a plan of anticipated local, State and Federal revenues;
4. report to the Board any serious financial implications that emerge from the District's ongoing fiscal planning.

In addition, the Board directs the Treasurer to maintain annually a detailed five-year projection of estimated revenues and expenditures.

[Adoption date: January 24, 2011]

ANNUAL BUDGET AND APPROPRIATIONS MEASURE/  
BUDGET MODIFICATION AUTHORITY

Budget

The purpose of the annual tax budget is to identify adequate financial resources for the education program and to provide a basis for accountability in fiscal management. The District budget is also the legal basis for the establishment of tax rates.

The annual tax budget is regulated and controlled by State law and requirements of the county budget commission. The Board may establish additional budget requirements for funds at its disposal.

The Board directs the Treasurer to present the tax budget to the Board along with all available information associated with each fund in sufficient time to allow for proper analysis and discussion prior to the hearing.

With an affirmative vote of the majority of the county budget commission, including the County Auditor, the requirement that the Board adopt a tax-budget may be waived. Therefore, the Board directs the Treasurer to prepare the tax budget in compliance with the requirements of the Wayne County Auditor, the Ohio Revised Code, and the State Auditor's Office.

The Treasurer, Superintendent and their staffs are responsible for the preparation of the annual budget and presentation of the budget to the Board for adoption.

Appropriations

As permitted by law, at the start of the fiscal year, the Board may pass a temporary appropriations measure to provide for meeting the ordinary expenses of the District until such time as the Board approves the annual appropriations resolution for the year, which is not later than October 1. If by October 1 the county budget commission has not certified all amended certificates of estimated resources to the Board of Education (or submitted a certification that no amended certificates are necessary), the Board can delay action on the annual appropriation measure until such time as the certificates are received.

The Treasurer files both the temporary and final appropriations measures at the proper times with the office of the County Auditor.

The Board shall adopt as part of its annual appropriation measure a spending plan (also known as the Five-Year Forecast), or in the case of an amendment or supplement to an appropriate measure, an amended spending plan setting forth a five-year projection of revenue and expenditures of the General, Emergency, DPIA, and any Debt Service related to the General Fund. A copy of the annual appropriation measure and any amendment or supplement to it and the spending plan or amended plan shall be submitted to the Superintendent of Public Instruction and shall set forth all revenues available for appropriation by the District during such year and their sources; the nature and amount of expenses to be incurred during the year; the outstanding and unpaid expenses on the date the measure, amendment or supplement is adopted; the dates by which such expenses must be paid; and any other information the Superintendent requires.

The plan or amended plan shall be presented in such detail and form as the Superintendent of Public Instruction prescribes.

The Superintendent/designee notifies each school administrator and/or department head of the allocations approved for expenditure.

#### Budget Modification

Appropriations approved by the Board at the fund level may receive a line item increase as long as there is a corresponding decrease. Any increase in the amount of the appropriation measure or transfers of funds permitted by law from major fund to major fund require Board approval and may require approval from the Court of Common Pleas.

#### Transfers Among Categories

It is the responsibility of the Superintendent and the Treasurer to examine the appropriations categories and make the necessary recommendations to the Board.

[Adoption date: January 24, 2011]

LEGAL REFS.: ORC 9.34  
3313.18  
5705.14; 5705.15; 5705.16; 5705.28; 5705.29; 5705.35 through  
5705.412

BUDGET PLANNING  
(Five-Year Forecast)

Budget planning is an integral part of program planning so that the annual operating budget may effectively express and implement all programs and activities of the District. Budget planning is a year-round process involving broad participation by administrators, teachers and other personnel throughout the District.

The Superintendent and Treasurer are responsible for preparing the five-year forecast for the Board's approval. The forecast is for the current fiscal year and four years beyond.

The five-year forecast is prepared twice a year and filed with the Ohio Department of Education (ODE). The initial filing is due on or before October 31 and an update by May 31. The five-year forecast is updated as often as necessary in order to communicate significant changes in the District's financial position.

[Adoption date: January 24, 2011]

LEGAL REFS.: ORC 5705.01; 5705.28 through 5705.32; 5705.35; 5705.36; 5705.37; 5705.39;  
5705.391

BUDGET ADOPTION PROCEDURES  
(Tax Budget)

The purpose of the annual tax budget is to enable the county budget commission to establish tax rates and to serve as a basis for certification of revenue to the District.

The annual tax budget is regulated and controlled by State law and the requirements of the local county budget commission in which the District is located. The commission may require the Board to provide any information needed by the commission to perform its duties.

The Board may establish additional budget requirements for funds at its disposal.

It is the responsibility of the Superintendent and the Treasurer to prepare the necessary tax budget information and to attend any required tax budget meetings.

[Adoption date: January 24, 2011]

LEGAL REFS.: ORC 5705.04; 5705.28; 5705.281; 5705.30

## FUNDING PROPOSALS AND APPLICATIONS

The Board directs the Superintendent/designee to apply for any state or federal grants for which the District is eligible, at his/her discretion. The Superintendent/designee evaluates federally funded programs and state grants, including their possible benefits to the students in the District, appraises the Board of the worth of each and makes recommendations accordingly.

The District participates to its limit of eligibility in the use of funds provided by the state for the educational benefit of its students.

[Adoption date: January 24, 2011]

[Re-adoption date: September 23, 2013]

LEGAL REF.: ORC 3313.20

## REVENUES FROM TAX SOURCES

In an attempt to provide sufficient financial resources, the Board:

1. requests that voters approve adequate local funds for the operation of the District and determines the amount of the individual levies at the time of the initial request, or at the time of a request for renewal or replacement, to yield sufficient revenue for the operating expenses of the District;
2. accepts available state funds to which the District is entitled by law or through regulations of the State Board of Education and
3. accepts federal funds, which are available, provided that there is a specific need for them and that the required matching funds are available.

[Adoption date: January 24, 2011]

[Re-adoption date: September 23, 2013]

LEGAL REFS.: Ohio Const. Art. XII, Section 2

ORC 3301.07

3311.21

3313.17 through 3313.20; 3313.29; 3313.51

3317.01 through 3317.11

3323.09

Chapters 5701; 5705

5748.01 through 5748.06

## REVENUES FROM INVESTMENTS

### Scope

The Board directs that the investing authority of the District resides with its Treasurer. This policy is designed to cover all monies under the control of the Board.

### Objectives and Guidelines

The following investment objectives are applies in the management of the District's funds.

1. **Liquidity:** The investment portfolio remains sufficiently liquid to enable the Treasurer to meet reasonable anticipated operating requirements.
2. **Safety:** Investments are undertaken in a manner consistent with State law, which seeks to ensure the preservation of public funds.
3. **Income:** The Treasurer strives to achieve a fair and safe rate of return on the investment portfolio over the course of budgetary and economic cycles, taking into account State law, safety considerations and cash flow requirements.
4. **Diversification:** The investment portfolio should be diversified in order to avoid incurring potential losses regarding individual securities which may not be held to maturity, whether by erosion of market value or change in market conditions.
5. **Prudence:** Investments are made with judgment and care – under circumstances then prevailing – which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived.
6. **Bank Accounts:** Relationships with banks are managed in order to secure adequate services while minimizing costs. Deposits should be concentrated in single accounts except where audit control considerations dictate otherwise.

### Authorized Financial Institutions and Dealers

U.S. treasury and agency securities purchased outright are made only through a member of the National Association of Securities Dealers, through a bank, savings bank or savings and loan association regulated by the Superintendent of Financial Institutions or through an institution regulated by the Comptroller of the Currency, Federal Deposit Insurance Corporation or board of governors of the Federal Reserve System.

1. Repurchase agreements are transacted through banks and/or eligible dealers consistent with State law.
2. Certificates of deposit are transacted through commercial banks or savings and loans with FDIC coverage, and qualify as eligible financial institutions under State law.

### Maturity

To the extent possible, the Treasurer attempts to match the District's investments with anticipated cash flow requirements. Unless matched to a specific cash flow requirement, the Treasurer will not directly invest in securities maturing more than five years from the date of purchase.

### Derivatives

Investments in derivatives are strictly prohibited. A derivative means a financial instrument or contract or obligation whose value or return is based upon or linked to another asset or index, or both, separate from the financial instrument, contract or obligation itself. Additionally, any security, obligation, trust account or instrument that is created from an obligation of a federal agency or instrumentality or is created from both is considered a derivative instrument.

### Allowable Investments

The Treasurer may invest in any instrument or security authorized in State law as amended. A copy of the appropriate section of the Ohio Revised Code is kept with this policy.

### Collateral

All deposits are collateralized pursuant to State law.

Reporting

The Treasurer reports and maintains records of all investments and deposits.

All brokers, dealers and financial institutions initiating transactions with the investment authority by giving advice or executing transactions initiated by the investment authority must acknowledge their agreement to abide by the investment policy's content.

Internal Controls

The investing authority establishes a system of internal controls, which are documented in writing. The internal controls are reviewed periodically by an independent auditor. The controls are designed to prevent loss of public funds due to fraud, employee error and imprudent actions by employees and officers of the District.

[Adoption date: January 24, 2011]

LEGAL REFS.: Intergovernmental Cooperation Act  
ORC 135.01 through 135.21  
3313.51

AUTHORIZED SIGNATURES  
(Use of Facsimile Signatures)

The Treasurer's signature is used on checks, drafts, warrant-checks, vouchers and other orders on public funds deposited in designated depositories.

The Treasurer authorizes these designated depositories to honor any instrument bearing the Treasurer's facsimile signature in a form as he/she may designate and to charge the same to the account as fully as though it bore a manually written signature.

A facsimile signature includes, but is not limited to, the reproduction of any authorized signature by a copper plate or a photographic, photostatic or mechanical device. The Treasurer must notify the designated depositories, in writing, a description of the device used to produce the facsimile signature and a sample of the signature.

The Board purchases a surety bond to protect against the loss of any public funds.

[Adoption date: January 24, 2011]

LEGAL REFS.: ORC 9.10 through 9.14  
1306.06

## FISCAL ACCOUNTING AND REPORTING

The District's accounting system is in conformance with the Uniform School Accounting System as prescribed by the Auditor of State for the use of school districts, federal funds also are accounted for in conformance with the Uniform Guidance issued by the U.S. Office of Management and Budget and any applicable state requirements. The Treasurer is responsible for receiving and properly accounting for all funds of the District.

The financial records must be adequate to:

1. guide the making or deferring of purchases, the expansion or curtailing of programs and the controlling of expenses;
2. ensure that current data are immediately available and in such form that routine summaries can be readily made;
3. serve as a guide to budget estimates for future years and to hold expenditures to the amounts appropriated and
4. show that those in charge have handled funds within limitations established by law and in accordance with Board policy.

The Board receives monthly financial statements from the Treasurer, which show receipts, disbursements, appropriations, encumbrances and balances. The Treasurer makes all other financial reports required by law or by state or federal agencies and submits them to the proper authorities.

The Treasurer provides the Board with any other financial management reports that the Board determines necessary.

Financial records are permanent. The supporting documents may be destroyed only in compliance with the provisions of State law and in compliance with specifications of the District's records commission, the Auditor of State and the Ohio History Connection.

[Adoption date: January 24, 2011]

[Re-adoption date: September 25, 2017]

[Re-adoption date: November 27, 2017]

LEGAL REFS.: ORC 117.101; 117.38; 117.43  
149.01 through 149.43  
3301.07  
3313.29; 3313.32  
3315.04  
Chapter 1347  
Chapter 5705  
2 C.F.R. Part 200

CROSS REFS.: DECA, Administration of Federal Grant Funds  
EHA, Data and Records Retention

## INVENTORIES (Fixed Assets)

The Board, as steward of this District's property, recognizes that efficient management and full replacement upon loss requires accurate inventory and properly maintained property records.

The District conducts a complete inventory every five years, by physical count, of all District-owned equipment and supplies. For purposes of this policy, "equipment" means a unit of furniture or furnishings, an instrument, a machine, an apparatus or articles that retain shape and appearance with use, is nonexpendable and does not lose its identity when incorporated into a more complex unit. For purpose of items purchased with federal funds, equipment is defined as tangible, nonexpendable personal property having a useful life of more than one year with an acquisition cost of \$5,000 or more per unit.

This District maintains a fixed asset accounting system. The fixed asset system maintains sufficient information to permit:

1. preparation of year-end financial statements in accordance with generally accepted accounting principles (GAAP);
2. adequate insurance coverage and
3. control and accountability.

Each building and additions to buildings are identified by location or name and are described in detail (e.g., size, number of floors, square footage, type of construction, etc.) with the value shown for all individual structures.

Fixed equipment is inventoried by building, floor and room name or number; each item is to be listed individually. (Leased equipment that the District will eventually own must be inventoried.)

Movable equipment is inventoried by building, floor and room name or number; each item is to be listed individually. Any item that has a model number or serial number has that number noted in the description for full identification. All items assigned to a building are the building administrator's responsibility.

All equipment purchased, after the initial inventory, as capital outlay or replacement with a cost of \$1,000 or more and with an estimated useful life of five years or more is tagged and made part of the equipment inventory. For fixed asset reporting purposes, all equipment in excess of \$1,500 is used. Property records and inventory systems are sufficiently maintained to account for and track equipment acquired with federal funds.

A listing of all equipment is maintained for each building and department. This listing is updated annually by the close of the school year, or not later than the second Friday in June of each year. This updated listing is then submitted to the Treasurer's office for audit purposes.

A physical inventory of supplies is taken at the building level at the close of the school year, or not later than the second Friday in June of each year. This updated listing is then submitted to the Treasurer's office for audit purposes.

The Treasurer shall be assisted by principals, directors, supervisors and professional and support staffs in the performance of this function.

[Adoption date: January 24, 2011]  
[Re-adoption date: September 25, 2017]

LEGAL REFS.: ORC 117.38  
3313.20; 3313.41  
2 C.F.R. Part 200

CROSS REF.: DECA, Administration of Federal Grant Funds

## AUDITS

In accordance with State statutes, all District financial records are subject to audit by the Bureau of Inspection and Supervision of Public Offices of the State Auditor's office. The Board has the right to request an independent audit with the approval of the State Auditor's office.

A copy of the Auditor's report is placed on file in the State Auditor's office; another copy is submitted to the Board. The Board makes the audit report available for public inspection.

[Adoption date: January 24, 2011]

LEGAL REFS.: ORC 117.10; 117.11; 117.12; 117.26; 117.27  
3313.29

## PURCHASING

The function of purchasing is to serve the educational program by providing the necessary supplies, equipment and services. The Board's authority for the purchase of materials, equipment, supplies and services is extended to the District administration through its adoption of the annual appropriations resolution.

The Board declares its intention to purchase competitively without prejudice and to seek maximum educational value for every dollar expended. The purchase of items and services found on lists from the appropriations resolution requires no further Board approval, except in those instances in which, by law or Board policy, the purchases or services must be put to bid.

### "Blanket" Certificates

The Treasurer may issue "blanket" purchase orders (certificates) for a sum not exceeding an amount established by resolution of the Board against any specific line item account over a period of time, not to extend beyond the end of the fiscal year in which it is issued. Only one "blanket" purchase order (certificate) may be outstanding at any one particular time for any one particular line item appropriation.

### "Super Blanket" Certificates

The Treasurer may issue "super blanket" purchase orders (certificates) for any amount for expenditures and contracts from a specific line-item appropriation account in a specified fund for most professional services, fuel, oil, food items and any other specific recurring and reasonably predictable operating expense. Such a purchase order (certificate) shall not extend beyond the fiscal year.

The acquisition of supplies, equipment and services is centralized in the business office, which functions under the supervision of the purchasing agent through whose office all purchasing transactions are conducted.

The Board assigns to the purchasing agent the responsibility for the quality and quantity of purchases made. The Treasurer is charged with the responsibility to ensure that all purchases do not exceed appropriations and that they are consistent with the approved educational goals and programs of the District.

A completed DMA form with no positive indications that material assistance has been provided to a terrorist organization is required of each private person or entity with whom the Board intends to enter into a contract that amounts to an aggregate of greater than \$100,000 annually.

A private person or entity with whom the Board enters into frequent contracts may apply for pre-certification. Pre-certification is specific to the District and is effective for one (1) year at a time.

Lease-Purchase Agreements

Lease-purchase agreements entered into by the Board shall be in accordance with R.C. 3313.375. Such agreements shall be a series of not more than thirty one-year renewable lease terms, after which time ownership is transferred to the Board if all obligations of the Board under the agreement have been satisfied.

[Adoption date: January 24, 2011]

LEGAL REFS.: Ohio Const. VIII, Section 2e  
ORC 9.314  
3313.172; 3313.18; 3313.33; 3313.46  
3319.04  
3327.08  
5705.38; 5705.39; 5705.40; 5705.41; 5705.412

CROSS REFS.: DJC, Bidding Requirements  
DJF, Purchasing Procedures  
DK, Payment Procedures

## PURCHASING

It is the policy of the Board that when funds are available, all purchases contemplated within the current budget and not subject to bid be made in a manner that tends toward the insurance of maximum value for the District.

All purchases that are within budgetary limits and were originally contemplated within the appropriations may be made upon authorization of the Treasurer.

Before the originator places a purchase order, approval must be obtained from the supervisor, who shall check as to whether the proposed purchase is subject to bid, whether sufficient funds exist in the budget, and whether the material might be available elsewhere in the District.

The Treasurer shall solicit quotations from independent sources for the supplies, equipment or services desired in all cases of emergency or when quotes cannot be obtained. Should quotes not be obtained, the originator shall attach a statement explaining why this is so. All quotations received shall be attached to and retained with a copy of the resulting purchase order.

### Purchase of Equipment and Supplies

It is the intent of the Board that purchases should be made primarily on the basis of such consideration as quality, original cost, cost of maintenance and repair services available.

Under no circumstances will any purchases be made by the Board for individuals, groups, or organizations other than for the express use by the schools as authorized by the Board.

No invoices will be honored for payment by the Board unless the following information is provided and the procedures carried out:

1. requisition of proper form, dated;
2. purchase of material, supplies or labor requisitioned;
3. quantity needed;
4. detailed specifications and description of material, supplies or labor needed;
5. estimated cost;
6. signature of person originally making requisition;
7. approval of the principal or supervisor;

8. approval of the Superintendent;
9. approval of purchase order properly numbered, dated and signed by the Superintendent and the Treasurer and
10. receipt of correct material, supplies or labor.

The Treasurer's Office should be notified immediately if incorrect or defective material, supplies or labor is received.

#### Procedure of Bids

The Superintendent and/or Treasurer of the Board shall secure quotations on purchases of more than \$10,000 except in unusual cases. Sealed bids shall be required by law on any single purchase exceeding \$25,000 except in cases of urgent necessity.

#### Insurance

The Treasurer of the Board shall present annually to the Board for its approval a review of the school's insurance program on buildings, equipment and buses with recommendations for any changes in the amount or type of coverage.

Competitive bids shall be encouraged whenever practical on all insurance purchased by the Board.

(Approval date: January 24, 2011)

## BIDDING REQUIREMENTS

Contracts for construction or demolition of buildings or for any improvements or repairs that exceed \$50,000 are let only after bids are solicited and received in compliance with law. However, if the Board enters into a shared savings contract for energy conservation measures, competitive bidding is not required. The Board may also enter into an installment payment contract for the purchase and installation of energy conservation measures and competitive bidding does not need to be utilized if two-thirds of the entire Board adopts a resolution stating that competitive bidding does not apply to the project.

If feasible, all purchases over \$25,000 but under \$50,000 will be based on price quotations submitted by at least three vendors. These quotations are treated confidentially until the deadline for filing is past; thereafter, they are public information.

The Business Manager assembles the proper specifications and makes the necessary arrangements for public bidding and price quotations. The Treasurer receives the bids and price quotations and records them. The Business Manager makes his/her recommendations to the Board. Upon approval by the Board, he/she processes purchase orders to those bidders awarded contracts and notifies the other bidders of the results of the bidding.

Purchases made through the use of federal funds are made in compliance with the requirements of State and Federal law, including the applicable bidding requirements.

[Adoption date: January 24, 2011]  
[Re-adoption date: April 24, 2017]  
[Re-adoption date: September 25, 2017]

LEGAL REFS.: ORC 9.314  
153.01; 153.12 through 153.14; 153.50 through 153.56  
3313.372; 3313.373; 3313.46  
3319.04

CROSS REFS.: DJ, Purchasing  
DJF, Purchasing Procedures  
ECF, Energy Conservation  
FA, Facilities Development Goals  
FEF, Construction Contracts Bidding and Awards

## PURCHASING PROCEDURES

Monies under the jurisdiction of the Board may not be expended except upon a warrant drawn against a specific appropriation and against a specific fund. Therefore, no contract or purchase order for the expenditure of money will be made unless there is attached to it a certificate of the Treasurer certifying that the amount required to meet the contract or purchase order has been appropriated and is in the treasury, or is in the process of collection, and is free from previous encumbrance.

Any contract or purchase order issued without such a certificate attached is void, except as the law allows later issuance within 30 days of the certificate and except that, if the amount involved is less than \$3,000, the Treasurer may authorize it to be paid without the ratification or affirmation of the Board. Under certain conditions, the law also allows the Treasurer to issue blanket certification, subject to limitations of time and amount as set by law.

Purchasing procedures are designed to ensure the best possible price for the desired products and services. Procedures for purchasing are developed to require that all purchases are made on properly approved purchase orders and that, for items not put up for bid, price quotations are solicited.

Special arrangements may be made for ordering perishable and emergency supplies.

[Adoption date: January 24, 2011]

[Re-adoption date: September 25, 2017]

[Re-adoption date: November 27, 2017]

LEGAL REFS.: ORC 3313.46  
3327.08  
5705.41(D)(1); 5705.412; 5705.44  
2 C.F.R. Part 200

CROSS REFS.: DECA, Administration of Federal Grant Funds  
DJ, Purchasing  
DJC, Bidding Requirements

## PURCHASING PROCEDURES

### General

1. The Board designates the Superintendent as the purchasing agent.
2. No person may commit the District to a purchase without the appropriate certificate of the availability of funds.
3. The materials, equipment, supplies and/or services to be purchased are of the quality required to serve the function in a satisfactory manner, as determined by the requisitioner and the Superintendent.
4. It is the responsibility of the requisitioner to provide an adequate description of the item(s) purchased so that the purchasing agent may be able to prepare the specifications and to procure most expeditiously and economically the desired commodity and/or service. A source of supply should be included on requisitions for specialty or unusual items.
5. No requisitioner shall knowingly restrict competition or otherwise preclude the most economical purchase of the required items.
6. When a low bidder proposes an alternate as equal to that specified, it is the responsibility of the Treasurer to determine whether the proposed substitution is, in fact, an equal. Such decision is based on his/her evaluation and that of the requisitioner. In the case of disagreement between the requisitioner and the Treasurer, either party may refer the matter to the Superintendent.

### Requisitions

1. The District establishes a standardized requisition procedure to allow authorized representatives to submit requests for the purchase of materials and supplies.
2. The following are designated as “requisitioner”; that is, they are authorized to issue requisitions against stipulated segments of budgetary appropriations: the Superintendent, administrative assistants, directors, supervisors and building principals. Each requisitioner is responsible for limiting his/her requisitions to the appropriate amounts.
3. Only District-approved methods or forms are used for requisitioning.

4. A requisition, to be considered appropriate for processing, meets the following requirements:
  - A. contains adequate information and
  - B. is approved by and bears the signature of an authorized requisitioner.
5. All approved requisitions are submitted to the Treasurer.
6. After a purchase order has been issued by the Treasurer's office, the number of the purchase order is recorded on the requisition.
7. After processing, the original copy of the requisition is filed in the office of the Treasurer.

#### Purchase Orders

1. Purchase orders are prepared by the appropriate person and at a minimum include the following essentials:
  - A. a specification which adequately describes to the supplier the characteristics and the quality standards of the item required;
  - B. a firm, quoted, net-delivered price, whenever possible (unit prices are shown);
  - C. clear delivery instructions, including place and time;
  - D. appropriate account code number or appropriation code and
  - E. the Treasurer's certificate of available revenue and appropriation.
2. Purchase orders use an identifiable tracking system established by the District and contain the appropriate number of copies to meet District needs.
3. Verbal confirmation orders subject to subsequent confirmation by a written purchase order may be issued only in cases in which a bona fide emergency situation exists which can be handled only by this procedure:
  - A. whenever possible, a purchase order number should be given to the supplier and
  - B. a confirming requisition is issued immediately, marked "confirmation" indicating the purchase order number, if one was given.

(Approval date: January 24, 2011)

## CREDIT CARDS

The Board recognizes the efficiency and convenience afforded the day-to-day operation of the District through the use of credit cards under the supervision of the Treasurer. However, credit cards are not to be used to circumvent the general purchasing procedures required by State law and Board policies.

The Board authorizes the use of credit cards in the following manner.

### Credit Cards

1. All credit cards issued to and in the name of the District shall be held and supervised by the Treasurer and used only for approved District-related activities.
2. Credit cards may be used for District-related transportation, reservations and expenses, conference registrations and hotel reservation guarantees for the Board and staff.
3. If monies are budgeted and deposited with the Treasurer in advance, credit cards may be used by school employees for student trips and competitions for safety and security reasons.
4. With prior approval of the Treasurer, credit cards may be used by school employees for school-related purchases from a vendor who does not accept purchase orders or vouchers.
5. Usually tips are not to be paid with credit cards.
6. The Treasurer keeps a record of all credit card use.
7. Receipts and appropriate form(s) are to be turned in with the credit card to the Treasurer within five business days upon completion of approved use. Failure to turn in receipts and appropriate form(s) to the Treasurer within five business days may result in the charges being deemed unrelated or unsubstantiated. The user is responsible for any unsubstantiated or unrelated purchases.

[Adoption date: September 24, 2012]

CROSS REFS.: DJ, Purchasing  
DJB, Petty Cash Accounts  
DLC, Expense Reimbursement  
GCL, Certificated/Licensed Staff Development Opportunities  
GDL, Classified Staff Development Opportunities

## CREDIT CARDS

Credit cards may be used for the following purposes.

1. School business travel, meetings, lodging and meals for out-of-District meetings or seminars are subject to the reimbursement limits established by the Board.
2. Gratuities are permissible only when card use is for group purchases and the tip is automatically added to the bill.
3. Purchases from vendors that require a credit card as form of payment do not supersede the requirement of preapproval of a purchase order for the purchase. The use of the credit card for electronic commerce must be preapproved by the submission of a purchase order prior to purchase.
4. The use of the credit card over the Internet must be safeguarded at all times. All vendors must be preapproved for use and must show sufficient proof of being a legitimate business entity. All purchases over the Internet are the sole responsibility of the Board's authorized buyer in the event of business fraud.
5. If the use of a tax-exempt form is not possible, the expenditure is allowed. The person using the credit card should take along the appropriate tax exemption form so that sales tax is not charged.

Upon returning from an approved business trip, an employee shall submit all original itemized invoices and original credit card charge receipts to the Treasurer's office. Credit card statements will not suffice as invoices. Credit card statements will be mailed directly to the Treasurer's office. Any late fees assessed to the District due to an employee failing to submit invoices and credit card receipts on a timely basis are the responsibility of the employee. Receipts for meals must include the names of all individuals for whom meals were provided and the purpose of the meeting.

The use of the credit card is prohibited for the following items:

1. purchase of personal goods or services for an administrator, an administrator's spouse, children or anyone employed or not employed by the Board and attending a District business function;
2. payment of any fines, penalties or personal liabilities incurred by the administrator or anyone else;
3. alcoholic beverages or tobacco;

4. fuel for use in a personal vehicle;
5. entertainment expenses, including pay-per-view movie charges and/or
6. cash advances.

Persons using a credit card for personal, nonauthorized purposes or undocumented expenditures shall be held personally responsible for those expenditures. Abuse of the credit card is subject to disciplinary procedures, including termination.

The use of a credit card does not supersede the required completion of a professional leave form when applicable. These procedures also dictate the reimbursement procedures of the Board.

(Approval date: September 24, 2012)

## PAYMENT PROCEDURES

All claims for payment from District funds are processed by the Treasurer. Payment is authorized against invoices and supporting documents verifying receipt, supported by approved purchase orders or in accordance with salaries and salary schedules approved by the Board.

As an operating procedure, the Board has adopted an annual resolution authorizing payment by the Treasurer for debts or claims. The Board receives a list of bills paid the previous month.

The Treasurer is responsible for ensuring that appropriate allocations are observed and that total expenditures do not exceed the amounts appropriated for all items.

[Adoption date: January 24, 2011]

LEGAL REFS.: ORC 3313.18  
3315.08  
5705.38 through 5705.412

CROSS REFS.: DJ, Purchasing  
DLB, Salary Deductions

## PAYROLL PROCEDURES

The most substantial payment of public funds for the operation of the District is that which is made to the employees of the Board for services rendered. To ensure that each person so compensated is validly employed by this District and that the compensation remitted fairly represents the services rendered, this policy is promulgated.

Employment of all District personnel whether by the year, term, month, week, day or hour in contract, temporary or substitute form must be approved by the Board.

Each motion of the Board to employ or reemploy on a contracted basis (i.e., for a fixed period of time) shall include the name of the individual, the position title, the salary to be paid over the term of the contract, the period of employment, the wage guide identification, whether on a limited or continuing contract basis, and the special activity assignment.

Each motion of the Board to employ on a temporary basis (i.e., by the hour or day) shall include the name of the individual, the position title and the rate of pay.

All substitute employees shall be placed on an approved list by the Board before they can be assigned substitute duty by the administration. Said list shall include the name of the substitute, the type of duty for which he/she may be utilized and the period of time during which such authorization is valid.

The Board shall take note in its minutes of all actions with regard to resignation, retirement, death or discharge of all employees or the non-reemployment of a teacher. Each such action shall include the name of the employee, the date upon which salary or wages will terminate and the position formerly held.

Sign-in and sign-out procedures are required on a daily basis of all teachers and other noninstructional staff members, custodial-maintenance employees, bus drivers, and cafeteria workers in order to verify days and hours worked for payment purposes.

[Adoption date: January 24, 2011]

## SALARY DEDUCTIONS

Except for deductions for absence not covered by paid leave or those required by law, salary deductions are allowed only upon authorization by the employee and approval by the Board.

The following deductions are required:

1. federal, state and local income tax;
2. employee's share of retirement contribution according to current rate as set by law;
3. unexcused or excused absence not covered by paid leave and
4. Medicare deduction in compliance with Federal law.

If requested by employees, the Board will implement payroll deductions for the Ohio Deferred Compensation Program. Other deductions are in accordance with negotiated agreements and/or Board policy.

The District may limit the right of an individual employee to designate the agent, broker or company to write tax-sheltered annuities by requiring designation by at least one percent of the District's full-time employees or at least five, whichever is greater, except that a District may not require that a company be designated by more than 50 employees.

When a teacher is absent from duty and there is no leave applicable, the absence is unauthorized. The salary deduction for each day of unauthorized absence is based on the current annual salary divided by the number of teacher workdays in the official school calendar as adopted by the Board. In no case will only the salary of the substitute be deducted or a teacher be allowed to employ and pay for the substitute.

When an employee is absent from duty and there is no leave applicable, the absence is unauthorized. The salary deduction for an unauthorized absence is made on a per diem basis in accordance with the required work year for that particular job classification.

Unauthorized absences are not condoned. Repeated unauthorized absences may result in the employee being disciplined.

[Adoption date: January 24, 2011]

LEGAL REFS.: ORC 9.40 through 9.45; 9.80; 9.81; 9.90; 9.91  
148.01; 148.04  
3315.08

CROSS REFS.: DK, Payment Procedures  
GCBD, Certificated/Licensed Staff Leaves and Absences  
GDBD, Classified Staff Leaves and Absences

CONTRACT REF.: Teachers' Negotiated Agreement

## SALARY DEDUCTIONS

The Board is permitted to act in behalf of individual employees to deduct a certain amount from the employee's paycheck and remit to an agent designated by the employee. It is the purpose of this policy to designate those purposes not otherwise mandated by law for which the Board is willing to act in behalf of an employee and to specify the fee for so doing.

The Board authorizes in accordance with the provisions of law cited herein that deductions be made from an employee's paycheck upon proper authorization on the appropriate form for the following purposes:

1. Federal and State income tax;
2. Social Security or retirement contribution;
3. municipal income tax;
4. school district income tax;
5. School Employees Retirement System;
6. State Teachers Retirement System;
7. savings in a chartered credit union;
8. contributions to charitable corporations not-for-profit and community fund organizations;
9. payment of dues to labor or other organizations for which purpose a fee may be charged to defray the cost of making the deduction;
10. payment of group insurance premiums for a plan in which at least 10% of the District employee participates and
11. savings in a tax exempt shelter annuity upon the terms and conditions cited in law.

The Treasurer shall make such deductions as each employee may properly authorize for those matters approved herein by the Board and may make additional deductions authorized by law.

To the extent permitted by law and in accordance with the procedures set forth below, the Board declares its willingness to purchase or procure tax-sheltered annuities for its employees who request that such annuities be purchased through payroll deduction. Specifically, employees may request in writing that the Board purchase or procure a tax-sheltered annuity for them in exchange for the employee taking a reduction in salary with respect to amounts earned after the effective date of such written notice – reductions in salary shall commence 30 days after the Treasurer receives the employee's written notice. The Board shall use a corresponding amount to purchase the annuity for such employee from any licensed agent, broker or company authorized to transact the business as specified in law in accordance with Section 403(B) of the Internal Revenue Code. However, it shall be clearly understood that the Board's only function shall be the deduction and remittance of employee funds.

In any case where the employee designates the agent, broker or company through whom the Board shall arrange for the placement or purchase of the tax-sheltered annuity, the agent, broker or company must execute a reasonable agreement with the Board protecting the Board from any liability attendant to procuring the annuity (i.e., a "hold harmless").

If the District is required to provide the IRS an Audit of Annuity Accounts Report and there are fewer than five employees who have a contract with the agent, broker or company placing or purchasing the tax-sheltered annuity, the employees selecting that agent, broker or company shall split the annual fee for preparation of the report up to \$50 each.

In cases when an employee is absent from duty and there is no sick leave applicable, or when the absence is unauthorized, the salary deduction for each day of absence will be based on the employee's current salary divided by the number of work days required in the official school calendar for each job classification.

(Approval date: January 24, 2011)

## EXPENSE REIMBURSEMENTS

District personnel who incur expenses in carrying out their authorized duties are reimbursed by the District upon submission of a properly filled out and approved voucher with supporting receipts required by administrative regulations. Expenses may be approved and incurred within the limits of budgetary allocations for the specific type of expense.

When official travel by a personally owned vehicle is authorized, mileage payment is made at the rate currently approved by the Board and within the limitations of Federal law.

The Board prohibits employees and Board members from accepting, soliciting or using the authority or influence of his/her position to secure, for personal travel, a discounted or “frequent flyer” airline ticket or other benefit from an airline if he/she has obtained or earned the ticket on official travel. Any miles earned become the property of the District and must be used for future official travel by District employees or the Board.

A traveler on official school business is expected to exercise the same care in incurring expenses as a prudent person exercises in traveling on personal business. Excessive costs, such as those caused by circuitous routes or luxury services or accommodations, are not considered prudent, nor are they accepted for reimbursement.

[Adoption date: January 24, 2011]

LEGAL REFS.: ORC 2921.42; 2921.43  
3313.12; 3313.20  
3315.15

CROSS REFS.: BHD, Board Member Compensation and Expenses  
GCL, Certificated/Licensed Staff Development Opportunities  
GDL, Classified Staff Development Opportunities

## EXPENSE REIMBURSEMENTS

All expenses must have prior approval from the Superintendent or his/her designee. The following regulations apply to travel and other types of reimbursable expenses directly related to the performance of District business.

1. Travel Requests: These must be submitted in advance through the appropriate administrators to the Superintendent or his/her designee.
2. Transportation: All modes of transportation are authorized consistent with the requirements of the assignment and the efficient and economic conduct of official business. Travel is by the most direct route.
  - A. Automobile: Reimbursement is made at the IRS rate or the negotiated rate. This is the maximum rate regardless of the number of passengers. Parking charges, as well as toll and ferry charges are reimbursable.
  - B. Travel by Public Conveyance: Round-trip tickets should be purchased if these offer a price advantage. Approval is for coach fare only.
3. Subsistence:
  - A. Lodging: Any person on official District business, who must secure lodging in connection with that business is entitled to reimbursement for the cost of a single room. If the traveler is accompanied by his/her spouse, lodging expenses are reimbursed at the single occupancy rate. Lodging will be reimbursed at the rate of: one night for a two-day conference; two nights for a three-day conference, etc.
  - B. Meals: Meals are reimbursed only if they are included as part of the “registration only” cost.
4. Other Reimbursable Expenses
  - A. Telephone and Postage: Telephone toll calls from or to the District must be charged to the District office, thereby eliminating a claim on an expense voucher. If an expense for postage or certified or registered mail must be paid in cash, the claim may be made on an expense voucher for reimbursement. An explanation must be given, such as the origin and destination of the call. A receipt should be obtained and submitted to document calls and/or shipment

B. Conference Registration Fees: Conference and convention registration fees are reimbursable as a miscellaneous expense on the travel expense voucher.

5. Travel Form and Receipts

Reimbursement for expenses is obtained by submitting an expense voucher after the expense was incurred.

(Approval date: January 24, 2011)

## CASH IN SCHOOL BUILDINGS

Monies collected by employees and by student treasurers are handled with prudent business procedures, in order to demonstrate the ability of employees to operate in that fashion and to teach such procedures to our students.

State law requires a proper receipting and depositing of all public monies. Therefore, all monies collected shall be receipted, accounted for and deposited in the bank on the day of collection.

The Treasurer provides for making bank deposits after regular banking hours in order to avoid leaving money in a locked school safe.

[Adoption date: January 24, 2011]

LEGAL REFS.: ORC 9.38  
3313.291

CROSS REFS.: IGDG, Student Activities Funds Management  
KMA, Relations with Parent Organizations  
KMB, Relations with Booster Organizations

## SCHOOL PROPERTIES DISPOSAL

The Board believes that the efficient administration of the District requires disposition of property and goods no longer necessary for the maintenance of the educational program or operation of the District.

The Board recognizes that most unused property of the District has value and that it may be practical to retain such property for a period of time. Once property is no longer needed for school purposes currently or in the future, it should be slated for disposal at the Superintendent's discretion. State law governs the retention and method of disposal of the Board's property. Property and goods purchased with federal funds also are subject to the disposal requirements outlined in the Uniform Guidance issued by the U.S. Office of Management and Budget. Therefore, the Board follows the procedures required by the various statutes governing the disposal of real or personal property.

The Board follows the procedures set forth in State and Federal law for the disposal of real or personal property at the minimum dollar value set forth in the statute on the date the Board decides to dispose of the property. The Board is required to offer its real property for sale to all community schools, college-preparatory boarding schools, STEM and STEAM schools for the period of time set forth in law. High-performing community schools as defined by State law, are given first priority. If a high-performing community school is not interested in buying the property, the Board then proceeds with offers to purchase from other start-up community schools operating in the District, college-preparatory boarding schools, STEM and STEAM schools located within the territory of the District. If no community school, college-preparatory boarding school, STEM or STEAM school is interested in buying the property, the Board may sell its real or personal property at a public auction, following specific statutory requirements if the property exceeds \$10,000 in value. If this statutory threshold is changed by the legislature, the Board and administration's responsibility changes automatically to reflect the new minimum statutory dollar value.

The Board directs the periodic review of all District property and authorizes the disposition by sale, donation, trade or discard of any property not required for school purposes.

The District complies with State law regarding the sale or lease of unused school facilities to high-performing community schools, community schools, college-preparatory boarding schools, STEM and STEAM schools.

### Disposal of Property Valued at Less Than the Dollar Value Set Forth in State Law

For the disposal of property that is not governed by Federal law, the Ohio Revised Code or administrative regulations, the administration is required to follow these procedures:

1. The Superintendent determines that the value of the property is less than the value set forth in State and Federal law when applicable. The property is valued pursuant to a reasonable method as determined by the Superintendent.

2. The Board is notified when real or personal property is no longer needed for school purposes and directs that the property be sold.
3. The Superintendent sells the property to a start-up community school or by bids, general sale, negotiated sale or by trade as determined by the Superintendent or the Board on an individual basis.

[Adoption date: January 24, 2011]

[Re-adoption date: April 24, 2017]

[Re-adoption date: September 25, 2017]

[Re-adoption date: November 27, 2017]

LEGAL REFS.: ORC 131.09  
3313.17; 3313.37; 3313.40; 3313.41; 3313.411; 3313.413  
3314.051  
5705.10  
2 C.F.R. Part 200

CROSS REFS.: DECA, Administration of Federal Grant Funds  
FL, Retirement of Facilities