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\*These topics are currently 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 assistance of the Treasurer and 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.

[Adoption date: June 29, 2005]



## 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 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 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 appropriations measure until 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 Superintendent/designee notifies each school administrator and/or department head of the allocations approved for expenditure.

### Budget Modification

Appropriations are budgeted at the fund level. All modifications at the fund level require Board approval. Appropriated budget adjustments within funds may be made as needed by the Treasurer and reviewed with the Board at the next regular Board meeting.

### Transfers Among Categories

During the final quarter of the fiscal year, appropriations categories are examined, and the year-end status of each is estimated. Before the close of the fiscal year, the Board authorizes the Treasurer to transfer monies from those categories in which a surplus is anticipated into those in which a deficit is anticipated as permitted by State or Federal statutes.

Transfers among funds as permitted by statutes require Board action and may require approval from the Court of Common Pleas and the Tax Commissioner.

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: June 29, 2005]

LEGAL REFS.: ORC 9.34  
3311.40  
3313.18  
5705.14; 5705.15; 5705.16; 5705.28; 5705.29; 5705.35 through  
5705.412

**THIS IS A REQUIRED POLICY**

## BUDGET PLANNING

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 financial forecasts for at least four years beyond the current fiscal year.

The budget reflects the District's goals, objectives and programs. Any changes or alterations in programs are approved by vote of the Board.

The budget is prepared and adopted by January 15 of each year and covers the period from July 1 to June 30 of the succeeding year.

[Adoption date: June 29, 2005]

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

CROSS REFS.: AE, School District Goals and Objectives  
BCF, Advisory Committees to the Board

**THIS IS A REQUIRED POLICY**

## BUDGET ADOPTION PROCEDURES

If, as a result of the public hearing, it should be determined that certain changes in the budget are necessary, these changes will be made before the budget is adopted. The adoption of the budget by the Board takes place on or before January 15 by roll-call vote.

Following the public hearing and approval of the budget by the Board, the budget is submitted to the County Budget Commission for review and approval.

It is the responsibility of the Superintendent, members of his/her staff and the Treasurer to attend the hearing of the County Budget Commission to review the budget and answer any pertinent questions.

[Adoption date: June 29, 2005]

LEGAL REFS.: ORC 5705.28; 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. 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: June 29, 2005]

LEGAL REF.: ORC 3313.20

**THIS IS A REQUIRED POLICY**



## 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: June 29, 2005]

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

**THIS IS A REQUIRED POLICY**

## REVENUES FROM INVESTMENTS

All moneys are under the control of the Board, which extends to the Treasurer the responsibility of overseeing these funds. In addition to the objectives detailed below, all relevant sections of the Ohio Revised Code are adhered to at all times.

### Objectives

The following objectives apply to the management of District funds.

1. Investments are made in order to seek preservation of capital in the overall portfolio. To attain this objective, diversification is required in order that potential losses on individual securities, whether by default or erosion of market value, does not exceed the income generated from the remainder of the portfolio.
2. The District's portfolio remains sufficiently liquid to enable the District to meet reasonably anticipated operational requirements.
3. The portfolio is managed in such a way as to exceed or at least equal the market average rate of return over the course of budgetary and economic cycles, taking into account State law (which restricts the type of investments), safety considerations and cash flow requirements.
4. Bank account relationships are managed in order to secure adequate services while minimizing costs.
5. All deposits are concentrated in one account except where audit control considerations dictate otherwise.

### Public Trust

All participants in the investment process act responsibly as custodians of public trust. Investment officials avoid any transactions that might impair confidence in the government of the District. The Board recognizes that in a diversified portfolio occasional measured losses are inevitable and must be considered within the context of the overall portfolio's investment return.

### Investing Authority

The investing authority resides with the Treasurer. Such authority allows for the explicit delegation of authority to persons responsible for investment transactions.

The Treasurer signs and files the investment policies with the Auditor of State.

### Authorized Financial Institutions and Dealers

U.S. Treasury and Agency securities and instrumentalities purchased outright are purchased through financial institutions located within the state of Ohio or through "primary securities

dealers" located in the state of Ohio, as designated by the Federal Reserve Board, whenever possible. Changing portfolio needs may dictate the use of "primary securities dealers" outside of the state of Ohio. First consideration are given to state institutions.

Repurchase agreements are transacted only through bank branches and/or through "primary securities dealers" located within the state of Ohio with which the District has a signed master repurchase agreement as required in ORC Chapter 135.

Certificates of deposit are transacted through commercial banks or savings and loans with either FDIC or FSLIC coverage that have branches within the District.

A list of these authorized institutions and dealers is maintained with the investing authority. Additions and deletions to this list are made when deemed in the best interest of the District.

#### Authorized Investments

The investing authority may invest on behalf of and in the name of the District in those instruments and other relevant sections of Chapter 135 ORC at a price not exceeding their fair market value.

#### Maturity

Market conditions and cash flow requirements are considered in determining the term of an investment. Provided cash flow requirements have been satisfied, maturity length is determined by market conditions and interest rate forecasts, with the goal being to buy where relative value exists along the maturity spectrum.

#### Diversification

Investments of the District are diversified to eliminate the risk of loss resulting from over-concentration of assets in a specific maturity, a specific issue or a specific class of securities. Strategies to achieve this are determined and revised periodically.

#### Collateral

All investments and deposits are collateralized pursuant to the Ohio Revised Code.

#### Competitive Quotes

All sales and purchases of securities are quoted competitively and to the extent practical are placed with the institution yielding the highest return. The right is reserved to reject the quote yielding the highest return on any investment if inconsistent with the investment strategy, i.e., maturity, risk, liquidity, etc.



Internal Controls

The investing authority, including an investment committee, 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.

Reporting

The investing authority submits monthly an investment report that summarizes recent market conditions, economic developments and anticipated investment conditions. The report describes the portfolio in terms of security type, maturity and other features. The report contains all transactions executed that month. The report also explains the month's total investment return.

Performance Evaluation

The monthly investment reports contain sufficient information to permit an independent organization to evaluate the performance of the investment program.

[Adoption date: June 29, 2005]

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

**THIS IS A REQUIRED POLICY**



## REVENUES FROM INVESTMENTS

### Allocation of Interest

1. Interest earned from pooled investments and checking are deposited in the General Fund.
2. Interest earned is prorated to Trust Fund investments and the Building Fund.
3. Interest allocation for the Food Service Fund is figured as follows:

$\text{Total Food Service Balance} \div 12 = \text{Average Food Service Balance}$

$\text{Total Funds} \div 12 = \text{Average Total Funds Balance}$

$\text{Average Total Funds Balance} \div \text{Average Food Service Balance} = \text{Percentage of Yearly Average Balance}$

$\text{Average Total Funds Balance} \div \text{General Checking} = \text{Average Interest Earned Interest on June 30th}$

$\text{Average Interest Earned} \times \text{Percentage of Yearly Average Balance} = \text{Yearly Interest for Food Service}$

This entry is made at the end of the fiscal year.

(Approval date: June 29, 2005)

**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 the loss of any public funds.

[Adoption date: June 29, 2005]

LEGAL REFS.: ORC 9.10 through 9.14  
1306.06

## BONDED EMPLOYEES AND OFFICERS

At the time of appointment or re-appointment of the Treasurer, the Board authorizes the Treasurer to execute a bond on himself/herself in an amount determined and approved by the Board. The bond must be deposited with the Board President and a copy certified by him/her must be filed with the County Auditor. The premium is paid by the Board.

The Superintendent, Board members and employees who handle school funds are included, at Board expense, in a Position Schedule Bond. Position Schedule Bonds pertain to a specific position, not to an individual.

[Adoption date: June 29, 2005]

LEGAL REFS.: ORC 3.06  
131.18  
3313.25; 3313.83  
3319.05  
5705.412

CROSS REF.: DM, Cash in School Buildings

## 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. 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, balances, investments and cash flow. The Treasurer makes all other financial reports required by law or by state 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 Historical Society.

[Adoption date: June 29, 2005]

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

CROSS REF.: EHA, Data and Records Retention



## TYPES OF FUNDS

### Textbook and Instructional Materials Fund

The Board maintains a Textbook and Instructional Materials Fund. The fund is accounted for within the District's General Fund, using a reasonable accounting method implemented under the Auditor of State's Guidelines as they are currently enacted. The requirement may be less than 3% for a particular fiscal year.

This fund is used for textbooks, instructional software, materials, supplies and equipment. Any money in the fund that is not used in a fiscal year is brought forward to the next fiscal year. The amount brought forward is not intended to meet the set-aside requirement for the current fiscal year.

The percentage of revenues on deposit, as well as the definition of what constitutes textbooks and instructional materials, is subject to applicable rules to be jointly adopted by the State Auditor and the Superintendent of Public Instruction.

The fund may be used for other purposes if both of the following steps occur during a fiscal year.

1. The Superintendent must certify, in writing, that the District has sufficient textbooks, instructional software, materials, supplies and equipment to ensure a thorough and efficient education within the District.
2. The entire Board must unanimously adopt a resolution stating that the District has sufficient textbooks and instructional software, materials, supplies and equipment to ensure a thorough and efficient education within the District.

### Capital and Maintenance Fund

The Capital and Maintenance Fund consists of 3% of basic aid times enrollment accounted for in the General Fund, except that money received from a permanent improvement levy may be used to meet this requirement. Money in this fund may be used only as provided by State law. The fund is implemented under the Auditor of State's guidelines as they are currently enacted; therefore, the requirement may be less for a particular fiscal year.

[Adoption date: June 29, 2005]

LEGAL REFS.: ORC 3315.17; 3315.18

CROSS REFS.: BHD, Board Member Compensation and Expenses  
DBD, Budget Planning  
HA, Negotiations  
IGDJ, Interscholastic Athletics  
IIAA, Textbook Selection and Adoption

## 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 shall conduct a complete inventory at least 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 which retain shape and appearance with use, is nonexpendable and does not lose its identity when incorporated into a more complex unit.

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

1. preparation of year-end financial statements in accordance with generally accepted accounting principles;
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 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 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.

Audiovisual and computer equipment are inventoried through the library with sublisting of location. Each component is inventoried and a bar code is placed on each. An accurate official record of textbooks, computer software and library books is kept.

A computer generated listing of all equipment is supplied to each building and department. This listing is updated annually by the close of the school year. This updated listing is then submitted to the Treasurer's office for computer update.

A physical inventory of supplies valued at \$50.00 or more is taken at the building level at the close of each school year. This updated listing is then submitted to the Treasurer's office for computer update.

The Treasurer is assisted by the principals, directors, supervisors and certified and classified staffs in the performance of this function.

[Adoption date: June 29, 2005]  
[Revision date: March 24, 2010]

LEGAL REF.: ORC 3313.20

**THIS IS A REQUIRED POLICY**



## FIXED ASSETS POLICIES AND PROCEDURES

A fixed asset is an item that meets all of the following capitalization criteria.

1. item is tangible in nature
2. item has a useful life of one year or more
3. item is valued individually at \$1,000 or more
4. item is not a consumable supply or repair part

For identification and reporting purposed, the following information will be recorded for each capitalized asset.

1. Fund/Function:

This would be the three-digit fund number and the four-digit function number utilizing two digits only.

2. Asset Category:

Land – Includes all land parcels owned by the District.

Buildings – Includes all buildings and structures which serve as buildings and permanently attached fixtures installed during construction.

Improvements Other than Buildings – Includes site improvements, such as foliage, landscaping and improvements with limited life such as fences, parking lots and playground equipment. Other infrastructures will not be inventoried.

Machinery, Equipment and Furniture – Includes property that does not lose its identity when removed from its location and is not changed materially or expended in use.

Vehicles – Includes all mobile motored vehicles, buses and trucks.

Construction in Process – Includes all partially completed projects.

3. Asset Description:

All assets will be fully described in narrative form.

4. Tag Number:

Each asset will be assigned a numbered tag and that shall be its tag number identification, whether or not the tag is physically attached to the asset.



5. Serial Number:

Each asset having a serial number will have that number recorded as part of the fixed asset system.

6. Location:

Each asset record will include information on the building and location within that building in the fixed asset system.

7. Acquisition Date:

This is the date the asset was acquired/completed. For those assets in the past an estimated acquisition date is acceptable.

8. Cost:

Original/Historical – The original expenditures used to acquire and to place in service a fixed asset. The cost of fixed assets includes the purchase price or construction cost and all related charges to place the asset into location or condition for use.

Estimated – When the actual cost of an asset is unknown, this method takes the replacement cost, new at the time of appraisal and indexes it back to the estimated acquisition date.

Fair Market Value – The amount that might be realized from disposition of the item allowing a reasonable period in which to complete the transaction. This is used for all assets donated to the District.

9. Method of Acquisition:

This represents how the asset acquired.

- D. Donated
- L. Leased
- O. Other
- P. Purchased

10. Useful Life:

Each asset must have a useful life established. Physical environment, characteristics of use, resilience of use, maintenance policy, functional and economic obsolescence should all be taken into consideration when determining useful life.

Description	Estimated Lives
Land Improvements	10 – 30 years
Buildings and Improvements	20 – 50 years
Furniture, Fixtures and Equipment	5 – 20 years
Vehicles	5 – 10 years

#### 11. Accumulated Depreciation

This will be calculated by the fixed asset system. It represents the total depreciation on each asset from the time it was originally acquired.

#### 12. Annual Depreciation

A systematic allocation of the cost of using an asset over its expected useful life.

#### 13. Method of Disposal

- D Donated to Other Government Entities/Non Profit
- J Junked
- L Lost
- S Sold
- T Trade-in
- X Stolen

#### 14. Quantity

This will normally be one unless the District purchases more than one of the same asset from the same account code to be placed in the same location.

#### 15. Purchase Order Number & Check Number

### Asset Valuation

All fixed assets should be valued at their original cost or, if that amount is not practically determinable, at estimated historical cost. If the asset was donated, the fair market value at the time donated should be recorded. The value of the fixed asset must include all expenditures needed to acquire and place the asset in service.

### Depreciation

The usefulness of most assets, other than land, declines over time and some type of write-off of cost is needed to indicate that the usefulness of an asset has declined. The process of allocating cost over the useful life of an asset is called depreciation.

General fixed assets and fund fixed assets will have depreciation recorded on the financial statements. The District will use the straight-line method of depreciation for general fixed assets and fund fixed assets.

The calculation will be made by the State Software EIS system. EIS calculates depreciation by taking the total depreciation as of the end of the last fiscal year (called Life-to-date Depreciation) is stored for each item. The system then utilizes the following calculation for annual depreciation.



The annual depreciation will be prorated based on the number of months being depreciated to come up with a monthly depreciation amount.

Original Cost - LTD Depreciation - Salvage Value (5% of Cost)

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Life - Age at the end of the last fiscal year

#### Additions

All purchases/donations/constructions that meet the fixed asset definition should be recorded in the fixed asset system. All asset fields should be completed on the fixed asset forms.

If a repair extends the useful life of the asset or increases capacity it will be considered an addition. Any work necessary for an asset to maintain its present level of service will be considered a repair.

#### Deletions

Department heads are responsible for determining if an asset is no longer useful. All items sold, traded-in, donated, junked, lost, stolen or in any way removed from service during the current fiscal reporting period should be removed from the system and the disposal recorded.

#### Transfers

All transfers of fixed assets should be approved by the principal or department head. These changes in location should be noted on the proper form and forwarded to the Treasurer's Office.

#### Insurance Information

The District will maintain insurance values on all assets covered by insurance policies. This value will represent the current replacement cost which would be received from the insurance company in the event of a loss. This value will be updated yearly and will be utilized during the District's bidding process for insurance coverage.

#### Maintenance Agreements

All maintenance agreements should be filed with the Treasurer and the information should be maintained on the fixed asset system. Before an asset is disposed of the Treasurer should make sure that there is no open maintenance agreement that would pay for any needed repairs.

#### Leased Assets

All lease agreements must be filed with the Treasurer. All assets which are acquired under a capital lease agreement must be capitalized.



## 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.

The Audit Committee reviews the Auditor's report before placing the report on file in the State Auditor's office and submitting it to the Board. The Board makes the audit report available for public inspection.

[Adoption date: June 29, 2005]

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, 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.

It is the policy of the Board to purchase cooperatively with other school districts or other agencies when this results in savings to the District so long as such procedures do not violate State law or Board policy.

The Board authorizes "open" purchase orders to be issued for generic supplies for up to one year and up to the \$5,000 limit. Open purchase orders will not extend beyond the current fiscal year.

An open purchase order for a "specific" permitted purpose and in an amount not to exceed \$30,000 or the line-item appropriation and fund, whichever is less, is authorized to the extent permitted by law. The permitted purpose list may include payment for accountants, architects, attorneys, construction project managers, consultants, engineers, fuel oil, gasoline, food items and utilities. The specific purpose purchase order may not extend beyond the current 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 the purchasing agent the responsibility for the quality and quantity of purchases made. The Treasurer is charged with the responsibility of ensuring that no purchases exceed appropriations and that they are consistent with the approved educational goals and programs of the District.

### Public Purpose Spending

The Board recognizes that expenditure of funds within the District must fall within the scope of serving a public purpose as defined by State law. It is the Board's determination that the following expenditures are a necessary part of the effective function of the extracurricular and cocurricular programs concerned, once reviewed and approved by the Superintendent.

1. awards
2. recognition and incentive items for employees and/or volunteers
3. prizes/awards/programs for students through student activity funds

The purpose of this policy is to permit the Superintendent, at the discretion of the Board, to honor its employees and nonemployees with plaques, pins and other tokens of appreciation to include meals, refreshments or other amenities which further the interest of the District.

The Board affirms that the expenses incurred as listed above do serve public purposes which include the promotion of education by encouraging staff morale as well as support for the District's educational program with citizens, members of the business community, advisory committee members and associated school districts. Expenditures are subject to approval by the Superintendent.

Premiums, bonuses, coupons or stamps acquired through the expenditure of Board, activity or lunchroom funds are the property of the District and must be used for the benefit of the schools. Under no circumstances are employees to profit from them.

An employee may not use or attempt to use his/her position to secure any valuable thing or benefit for himself/herself that would not normally accrue to him/her in the performance of his/her official duties when the thing or benefit is of such a character as to manifest a substantial and improper influence on him/her with respect to his/her duties.

An employee who violates the above policy is subject to disciplinary action.

[Adoption date: June 29, 2005]

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.: BHD, Board Member Compensation and Expenses  
DJC, Bidding Requirements  
DJF, Purchasing Procedures  
DK, Payment Procedures



## PETTY CASH ACCOUNTS

The Board directs the Treasurer to create petty cash accounts allowing certain administrators to make purchases within the District. Money can be drawn from accounts by check. The Treasurer designates who can use the accounts, the amount of money that may be placed in the accounts as well as the procedures and requirements for replenishing the accounts.

Check access is limited to only those individuals who have a job-related need to use this payment method. Any person using checks must keep a written log.

Annually, the Treasurer establishes the amount of money to be placed in the accounts. The Treasurer's approval is needed to replenish the accounts. No major purchases may be made from the accounts.

Any administrator who ignores procedure and allows anyone else to write checks, or who does not take prudent measures to ensure that proper security is maintained, may be held personally liable for losses.

[Adoption date: June 29, 2005]

LEGAL REFS.: ORC 9.38  
3313.291

CROSS REF.: DM, Cash in School Buildings

**THIS IS A REQUIRED POLICY**



## BIDDING REQUIREMENTS

Contracts for construction or demolition of buildings or for any improvements or repairs which exceed \$25,000 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 exceeding \$10,000 but less than \$25,000 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 Treasurer/designee 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 Superintendent makes his/her recommendations to the Board. Upon approval by the Board, he/she processes purchase orders to bidders awarded contracts and notifies the other bidders of the results of the bidding.

[Adoption date: June 29, 2005]

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

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

## PURCHASING PROCEDURES

Moneys 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.

In compliance with the State Use Law, the Board directs the administration to determine if products and services needed by the District may be purchased from the Ohio Industries for the Handicapped. If applicable, the District will purchase products and/or services from the OIH.

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

[Adoption date: June 29, 2005]

LEGAL REFS.: ORC 3313.46  
3327.08  
5705.41(D)(1); 5705.412; 5705.44

CROSS REFS.: DJ, Purchasing  
DJC, Bidding Requirements



## PURCHASING PROCEDURES

### General

1. The Board designates the Superintendent as the Purchasing Agent.
2. Only the persons designated by the Board may commit the system to a purchase.
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 as required by the Superintendent, so that the latter 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. It is the responsibility of the Superintendent to make alternate suggestions to the requisitioner if, in the judgment of the Superintendent, the specification would restrict competition or otherwise preclude the most economical purchase of the required items. In the case of disagreement, either party may refer the matter in accordance with established procedure.
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 following are designated as "requisitioner"; that is, they are authorized to issue requisitions against stipulated segments of budgetary appropriations: The Superintendent, directors, supervisors, building principals and secretaries. Each requisitioner is responsible for limiting his/her requisitions to the appropriate amounts.
2. Only forms provided by the Treasurer are used for requisitioning.
3. Standard supply lists of commonly used items are jointly developed for all categories or groups of supplies by the Treasurer.
4. Items not specifically included on standard lists are requisitioned on the regular requisition forms.
5. The number of requisitions are kept to a minimum. They are submitted to conform with the purchasing schedule established by the Treasurer.

6. 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.
7. All approved requisitions are submitted to the Treasurer.
8. After a purchase order has been issued by the Treasurer's office, the number of the purchase order is recorded on the requisition.
9. 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 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. signature of Superintendent;
  - E. appropriate account code number and
  - F. the Treasurer's certificate of available revenue and appropriation.
2. Purchase orders are numbered and prepared in sets of three copies, each to be used as follows:
  - A. original to vendor;
  - B. copy 2--sent to the accounting office for encumbrance and later filed alphabetically by vendor and
  - C. copy 3--returned to requisitioner, to be returned after certification as to receipt in proper quantity and satisfactory condition. (This copy is filed with the claim form by claim number.)
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: June 29, 2005)



## 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 moneys 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. The Treasurer keeps a record of all credit card use.
6. 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: June 29, 2005]

CROSS REFS.: DJ, Purchasing  
DJB, Petty Cash Accounts  
DLC, Expense Reimbursement  
GCL, Certified 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 not to exceed 15%.
3. Purchases from vendors that require a credit card as form of payment do not supercede the requirement of pre-approval of a purchase order for the purchase. The use of the credit card for electronic commerce must be pre-approved 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 pre-approved 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. Unpaid, nonauthorized or undocumented expenditures will be deducted from the employee's payroll check.

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: June 29, 2005)



## 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: June 29, 2005]

LEGAL REFS.: ORC 3313.18  
3315.08  
5705.38 through 5705.412

CROSS REFS.: DJ, Purchasing  
DLB, Salary Deductions



## 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 1% 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 workyear for that particular job classification.

Unauthorized absences should not occur. Repeated unauthorized absences can result in the teacher or other employee being disciplined.

[Adoption date: June 29, 2005]

LEGAL REFS.: ORC 9.40 through 9.43; 9.45; 9.80; 9.81; 9.90; 9.91  
148.01; 148.04  
3315.08

CROSS REF.: DK, Payment Procedures

CONTRACT REFS.: Teachers' Negotiated Agreement  
Classified Staff Negotiated Agreement

## 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.

Gratuities are not to exceed 15%.

With prior approval, employees are reimbursed for items purchased for the District that could not be purchased through a purchase order.

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: June 29, 2005]

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

CROSS REFS.: BHD, Board Member Compensation and Expenses  
GCL, Certified Staff Development Opportunities

**THIS IS A REQUIRED POLICY**

## CASH IN SCHOOL BUILDINGS

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

All moneys collected are receipted, accounted for and deposited every 24 hours if possible. In the event the Treasurer or person in charge of an activity is unable to deposit the money in 24 hours, the money will be accounted for and deposited in the safe. The money can be held no longer than three business days after receipt and the amount must be under \$1,000. If the amount is more than \$1,000, or the money cannot be adequately safeguarded, it must be deposited on the business day following the date of receipt.

In no case shall more than \$10 be left overnight in unsecured areas of school buildings. The Treasurer provides for making bank deposits after regular banking hours in order to avoid leaving money in a school building overnight.

[Adoption date: June 29, 2005]

LEGAL REFS.: ORC 9.38  
3313.291

CROSS REFS.: DH, Bonded Employees and Officers  
DJB, Petty Cash Accounts  
IGDG, Student Activities Funds Management  
KMA, Relations with Parent Organizations  
KMB, Relations with Booster Organizations



## SCHOOL PROPERTIES DISPOSAL PROCEDURE

### Real or Personal Property

The Board recognizes the necessity to dispose of obsolete (or depreciated beyond use) school equipment and supplementary materials. Items having a value that exceeds \$10,000 must be approved by the Superintendent and the Board before any disposition is carried out and a copy of the disposed items must be filed in the Treasurer's office. Surplus items are classified and disposed of as follows:

1. Items having no resale value

The Superintendent is authorized to offer free of cost textbooks, supplementary instructional materials and equipment that are no longer usable to other educational entities, students, charitable/civic organizations or disposed of by the most efficient method. Obsolete computers may be used as student incentive awards.

2. Items having resale value

- A. Those items having a fair market value of less than \$10,000 may be disposed of by the Superintendent at the most advantageous price by private sale, without advertising and with Board approval.
- B. Items having a fair market value exceeding \$10,000 must be sold at public auction except when being sold to governmental entities. The Board may hire an appraiser or auctioneer. The property may be traded as part or entire consideration on purchase price of similar personal property, on terms as are agreed upon. Terms of sale must be cash.
- C. Real estate may be traded only with municipal corporations. If property is being sold to a governmental entity, a public auction is not required. The Board may sell property to the Adjutant General, city, county, township, township park district, board of park commissioner, tax-supported university or branch of college, other board of education or library board. Terms of the sale may be upon such terms as may be agreed upon and consideration may be for other than cash, installment payments, etc.
- D. Real estate is required to be sold at a public auction. The auction must be advertised once a week for four weeks in a newspaper of general circulation. The notice should state "the Board reserves the right to reject any and all bids" and the Board sets the minimum bid price. Terms of sale - cash only. Form of deed-quit claim is executed by the Board President and Treasurer. If the property does not sell after two actions, it may be sold at private sale with terms and deed, same as above. The property may be subdivided.



- E. Proceeds from the sale of property other than a permanent improvement are paid into the fund from which such property was acquired or is maintained, or if there is no such fund, into the General Fund. If a permanent improvement is sold, the amount received for the same is paid into the bond retirement fund or into a special fund for the construction or acquisition of permanent improvements; the proceeds from the sale of a public utility are paid into the bond retirement fund to the extent necessary to provide for the retirement of the outstanding indebtedness incurred in the construction or acquisition of such utility.

Lease of Real Property

Board-owned real estate that is not needed for school purposes or which cannot be advantageously disposed of by sale may be leased. The Board should be able to terminate the lease if the property is needed for school purposes. The Board has the discretion whether services of a rental agent are required.

[Adoption date: June 29, 2005]

LEGAL REFS.: ORC 3313.33; 3313.41