

Budget Reserve Fund

The Budget Reserve Fund consists of up to 5% of the preceding fiscal year's general fund revenue unless the District is in a fiscal watch or fiscal emergency or if the money is appropriated from the fund to cover revenue shortfalls and emergencies or if the district has not established its budget reserve fund as provided under Ohio law. Appropriations from this fund must be consistent with Ohio law. The Fund is implemented under the Auditor of State's Guidelines as they are currently enacted; therefore, the requirement may be less than 5% for a particular fiscal year.

[Adoption date:]

LEGAL REFS.: ORC 3315.17; 3315.18

CROSS REFS.: DBD, Budget Planning
HA, Negotiations
IIAA, Textbook Selection and Adoption

SECTION D: Fiscal Management Policies

Section D	Policy Title	Adopted / Revised Date
DA	Fiscal Management Goals	January 10, 2000
DB/DBK	Annual Budget and Appropriations Measure / Budget Modification Authority	January 10, 2000
DBD	Budget Planning	January 10, 2000
DBH	Budget Adoption Procedures	January 10, 2000
DD	Funding Proposals and Applications	January 10, 2000
DE	Revenues from Tax Sources	January 10, 2000
DFA	Revenues from Investments	January 10, 2000
DFEA	Free Admissions	August 14, 2006
DFEA-E	Admissions Prices	August 8, 2005
DG	Depository of Funds	January 10, 2000
DH	Bonded Employees and Officers	January 10, 2000
DI	Fiscal Accounting and Reporting	January 10, 2000
DIB	Types of Funds	April 11, 2005
DID	Inventories (Fixed Assets)	March 13, 2006
DIE	Audits	January 10, 2000
DJ	Purchasing	May 10, 2004
DJC	Bidding Requirements	October 11, 2004
DJF	Purchasing Procedures	January 10, 2000
DJF-R	Purchasing Procedures	January 10, 2000
DJH	Credit Cards	October 11, 2004
DJH-R	Credit Cards	October 11, 2004
DK	Payment Procedures	January 10, 2000
DLB	Salary Deductions	January 10, 2000
DLC	Expense Reimbursements	January 10, 2000
DM	Cash in School Facilities	January 10, 2000
DN	School Properties Disposal Procedure	January 10, 2000

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.

Because of 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 reports, both oral and written, of 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:

1. to 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. to establish levels of funding which provide high quality education for the District's students;
3. to use the best available techniques for budget development and management;
4. to provide timely and appropriate information to all staff with fiscal management responsibilities and
5. to 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: January 10, 2000]

Liberty Union-Thurston Local School District, Baltimore, Ohio

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.

Public school budgeting is regulated and controlled by Ohio law and requirements of the Board. A budget is required for every fund that a district uses in its yearly operation.

The Superintendent/staff are responsible for the preparation of the annual budget and presentation of the budget to the Board for adoption.

The District creates and maintains a budget reserve fund for the purposes of covering unanticipated revenue shortfalls and other emergencies.

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

Budget Modification

Modification of funds between line appropriations within each major fund and any transfers permitted by law from major fund to major fund require Board approval.

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 moneys 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.

File: DB/DBK

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 10, 2000]

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

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 five 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 by January 1 of each year and covers the period from July 1 to June 30 of the succeeding year.

[Adoption date: January 10, 2000]

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

CROSS REF.: AE, School District Goals and Objectives

Liberty Union-Thurston Local School District, Baltimore, Ohio

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 and is 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: January 10, 2000]

LEGAL REFS.: ORC 3311.40
5705.28

Liberty Union-Thurston Local School District, Baltimore, Ohio

FUNDING PROPOSALS AND APPLICATIONS

The Board considers whether to apply for any state or federal grants for which it is eligible. The Superintendent/designee evaluates federally funded programs and state grants, including their possible benefits to the students in the District, and 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 of Ohio for the educational benefit of its students.

[Adoption date: January 10, 2000]

Liberty Union-Thurston Local School District, Baltimore, Ohio

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 10, 2000]

LEGAL REFS.: Ohio Const. Art. XII, ¶ 2
ORC 3301.07
3311.21
3313.02-3313.91
3317.01-3317.11
3323.09
Chapters 5701; 5705; 5727
5747.01
5748.01-5748.06

Liberty Union-Thurston Local School District, Baltimore, Ohio

REVENUES FROM INVESTMENTS

The Board will invest public funds in a manner which will provide the highest investment return with the maximum security and preservation of principal while meeting the daily cash flow demands of the District and conforming to all applicable statues governing the investment of public funds by an Ohio school district. The Treasurer is the investment officer for the District, charged with the responsibility for the purchase and sale of investments and the carrying out of this policy.

Scope

This investment policy applies to all financial assets of the District, including the state and federal funds held by it. The Treasurer shall routinely monitor the contents of the District's investment portfolio, the available markets and relative value of competing investments, and will adjust the portfolio accordingly.

Prudence

Investments shall be 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.

The standard of prudence to be used by the Treasurer shall be the "prudent person" standard and shall be applied in the context of managing the overall portfolio. Acting in accordance with this investment policy and exercising due diligence shall relieve the Treasurer of personal responsibility for an individual security's credit risk or market price changes, provided deviations from expectations are reported to the Board in a timely fashion and appropriate action is taken to control adverse developments.

Objectives

The primary objectives, in priority order, of the District investment activities shall be:

1. Safety: Safety of principal is the foremost objective of the investment program. Investments of the District shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. To attain this objective, diversification is required in order that potential losses on individual securities do not exceed the income generated from the remainder of the portfolio.
2. Liquidity: The District's investment portfolio will remain sufficiently liquid to enable it to meet all operating requirements which might be reasonably anticipated.
3. Return on Investment: The District's investment portfolio shall be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, taking into account this policy and the cash flow characteristics of the portfolio.

Ethics and Conflict of Interest

Persons involved in the investment process shall refrain from personal business activity that could conflict with proper execution of the investment program, or which could impair their ability to make impartial investment decisions. Employees and investment consultants shall disclose to the Board any material

File: DFA

interests in financial institutions that conduct business within the District and any large personal financial or investment positions that could be related to, or affected by, the performance of the District's portfolio. All employees, officers and investment consultants to the District shall subordinate their personal investment transactions to those of the District, particularly with regard to the timing of purchases and sales.

Authorized Financial Dealers and Institutions

The Treasurer will maintain a list of financial institutions and approved security broker/dealers selected by credit-worthiness who are authorized to provide investment services and which qualify under the Ohio Revised Code. These may include "primary" dealers or regional dealers that qualify under Securities & Exchange Commission Rule 15c3-1 and are registered with the Ohio Department of Commerce to do business in the state.

All financial institutions and broker/dealers which desire to become qualified suppliers of investment transactions to the District must provide the Treasurer with audited annual financial statements, proof of good standing with the Comptroller of Currency or state banking regulators or National Association of Security Dealers certification, proof of Ohio registration and biographical and regulatory information on the persons who are the primary contact with the entity. All financial institutions, broker/dealers and consultants which desire to conduct investment business with the District must sign this investment policy, certifying they have read it, understand it and agree to abide by its contents.

Authorized Investments

The District is empowered by statute to invest the following types of securities:

1. United States Treasury bill, notes, bonds or any other obligation or security issued by the United States Treasurer or any other obligation guaranteed as to principal and interest by the United States;
2. bonds, notes debentures or other obligations or securities issued by any federal government agency or instrumentality, including but not limited to the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Association, Government National Mortgage Association and Student Loan Marketing Association. All such securities shall be direct issuances of federal government agencies or instrumentalities;
3. interim deposits in duly authorized depositories of the District, provided those deposits are properly insured or collateralized as required by law;
4. bonds and other obligations of the State of Ohio;
5. no-load money market mutual funds consisting exclusively of securities described in paragraphs 1 and 2 of this section and repurchase agreements secured by such obligations, provided all such investments under this paragraph 5 shall be made with a bank or savings and loan association eligible to be depository for public funds of Ohio subdivisions and provided further that any such fund meets the requirements of Chapter 135 of the Revised Code, including that such fund not include any investment in a "derivative";
6. STAROhio;

7. overnight or term (not exceeding 30 days) repurchase agreements meeting the requirements of the Ohio Revised Code, with a bank or savings and loan association eligible to be a depository for public funds of Ohio subdivisions or a member of the National Association of Securities Dealers and
8. bankers acceptances and commercial paper notes, each with a maturity not exceeding 180 days and meeting all of the requirements of the Ohio Revised Code, but only upon specific authorization of the Board required by law and completion of the required training by the Treasurer.

Diversification

The District will diversify its investments by security, type and institution. With exception of direct obligations of the U.S. Treasury and STAROhio, no more than 50% of the District's total investment portfolio will be invested in a single security type or with a single financial institution.

Maximum Maturities

To the extent possible, the District will attempt to match its investments with anticipated cash flow requirements. No investment shall be made unless the Treasurer, at the time of making the investment, reasonably expects it can be held to its maturity. Unless matched to a specific obligation or debt of the District, the District will not directly invest in securities listed as 1 through 5 above maturing more than two years from the date of settlement.

Safekeeping and Custody

All security transactions, including collateral for repurchase agreements, entered into by the District shall be conducted on a delivery-versus-payment basis. Securities will be held by a third party custodian designated by the Treasurer and evidenced by safekeeping receipts. Securities shall be pledged at the Federal Reserve Bank to collateralize all repurchase agreements with financial institutions. Pledge collateral will only be released by the District after verification that the principal and interest have been credited to the District's account.

Prohibited Investment Practices

The District shall not:

1. contract to sell securities that have not yet been acquired on the speculation that prices will decline;
2. make any investment in derivatives;
3. invest in a fund established by another public body for the purpose of investing public money of other subdivisions (other than STAROhio) or
4. leverage current investments as collateral to purchase other assets.

Non-binding Arbitration

The Treasurer may enter into a written investment or deposit agreement that includes a provision under which the parties agree to submit to nonbonding arbitration to settle any controversy that may arise out of that agreement so long as such provision meets the requirements of the Ohio Revised Code and is specifically approved by the Board.

Reporting

The Treasurer shall maintain a current inventory of all investments including:

1. description of each security;
2. cost;
3. par value;
4. dates (beginning, settlement and maturity);
5. rates and
6. seller.

The Treasurer shall also prepare and distribute monthly (or more frequently if requested by the Board) a list of all investments and a report on investment activity and returns.

[Adoption date: January 10, 2000]

LEGAL REF.: Intergovernmental Cooperation Act
ORC 135.01-135.21
3313.51

FREE ADMISSIONS

The Liberty Union-Thurston Athletic Department may issue an athletic pass to each employee and Board member. In addition, passes may be given or free admission granted to athletic events for the following:

- A. Mid-State League pass holders,
- B. holders of a Golden Buckeye Card,
- C. ticket-takers and family members (in lieu of compensation),
- D. the Executive Board of the Liberty Union-Thurston Athletic Boosters,
- E. family members of coaching staff and
- F. other staff members who work at athletic contests and
- G. to any others at the discretion of Superintendent/designee and Athletic Director.

Tickets or passes may also be issued by other school organizations to employees and Board members for school-sponsored events such as plays, concerts, etc.

It is felt this will help provide a positive relationship between the school and the aforementioned groups.

[Adoption date: January 31, 2000]
[Revised date: July 14, 2003]
[Reviewed: August 14, 2006]

Liberty Union-Thurston Local Schools, Baltimore, Ohio

ADMISSION PRICES

Admission Prices
According to Mid-State League Guidelines

<u>Varsity Sports Events</u>			
Sport	Adults	Students	Golden Buckeye Card Holders & Pre-School
Football	\$5.00	\$3.00	Free
Volleyball	\$5.00	\$3.00	Free
Soccer	\$5.00	\$3.00	Free
Basketball	\$5.00	\$3.00	Free
Wrestling	\$5.00	\$3.00	Free
Track	\$5.00	\$3.00	Free
Cross Country	\$5.00	\$3.00	Free
<u>Jr. Varsity, Freshman and Jr. High Sports Events</u>			
Sport	Adults	Students	Golden Buckeye Card Holders & Pre-School
Football	\$4.00	\$2.00	Free
Volleyball	\$4.00	\$2.00	Free
Soccer	\$4.00	\$2.00	Free
Basketball	\$4.00	\$2.00	Free
Wrestling	\$4.00	\$2.00	Free
Track	\$4.00	\$2.00	Free
Cross Country	\$4.00	\$2.00	Free
	Adults	Students	
All-Seasons Pass	\$75.00	\$50.00	

[Revised date: July 14, 2003]

[Revised date: August 8, 2005]

Liberty Union-Thurston Local School District, Baltimore, Ohio

DEPOSITORY OF FUNDS

Daily Bank Deposits and Change Funds

The Board requires that all money shall be deposited in the bank daily except for Board-approved change funds. All change funds will be approved by the Board each year.

The following employees are authorized to make daily bank deposits:

1. Treasurer, Assistant Treasurer or Payroll Officer
2. Food Service Director or any of the lunchroom cashiers
3. Athletic Director
4. Faculty Managers

Each employee making a bank deposit must provide the Treasurer with a duplicate copy of the deposit slip and other appropriate paperwork to perform accounting functions within 24 hours of the deposit. Specific guidelines for vending machines will be developed.

[Adoption date: January 10, 2000]

LEGAL REFS.: Ohio Const. VIII, Section 2e
ORC 3313.171; 3313.172; 3313.18; 3313.29; 3313.31; 3313.33; 3313.37;
3313.46
3319.04
3327.08
5705.38; 5705.40; 5705.41; 5705.412

BONDED EMPLOYEES AND OFFICERS

At the time of appointment or re-appointment of the Treasurer, the Board authorizes the Treasurer to execute a bond in an amount determined and approved by the Board. The bond will be on file in the District Office and a certified copy must be filed with the County Auditor. The premium is paid by the Board.

The Superintendent, Board President, staff and other 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: January 10, 2000]

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

CROSS REFS.: 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 proper 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 data is 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, balance, assets and liabilities. 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 Ohio law and in compliance with specifications of the District's records commission, the Auditor of State and the Ohio Historical Society.

[Adoption date: January 10, 2000]

LEGAL REFS.: ORC 117.101; 117.38; 117.43
3301.07
3313.29; 3313.32; 3313.94
3315.04; 3315.13
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 Guideline 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. All of the following individuals 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.
 - A. the Superintendent
 - B. a person designated by vote of the business advisory council (in districts where required)
 - C. the president of the teacher's union (or designee), if applicable
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 all revenues received that would otherwise have been deposited 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 only be used as provided by Ohio law. The fund is implemented under the Auditor of State's Guidelines as they are currently enacted; therefore, the requirement may be less than 4% for a particular fiscal year.

LEGAL REFS.: ORC 3315.17; 3315.18

CROSS REFS.: DBD, Budget Planning
HA, Negotiations
IIAA, Textbook Selection and Adoption

[Adopted: January 10, 2000]
[Revised: April 11, 2005]

INVENTORIES

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 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 non-expendable 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 the:

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 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 is to have 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 \$5,000.00 or more and with an estimated useful life of five years or more is tagged and made part of the equipment inventory.

Televisions, VCRs, computers and any other items highly susceptible to theft will have a permanent number engraved on them.

Audio-visual equipment is inventoried through the library with sub-listing of location. The technology coordinator will inventory all district computer equipment and insure proper marking. Each component is inventoried and a number is engraved on it. 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, or not later than the second Friday in June of each year. This updated listing is then submitted to the Treasurer's office for computer update.

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 computer update.

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

File: DID

[Adoption date: January 10, 2000]
[Revised: July 14, 2003]
[Revised: March 13, 2006]

LEGAL REF.: ORC 117.38

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 10, 2000]

LEGAL REF.: ORC 117.09; 117.10; 117.101; 117.11; 117.12; 117.26; 117.27; 117.28
3313.27; 3313.29; 3313.483

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.

The Board authorizes “open” purchase orders to be issued for generic supplies for up to three months 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 \$100,000.00 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 to ensure that all purchases do not exceed appropriations and that they are consistent with the approved educational goals and programs of the District.

[Adoption date: May 10, 2004]

LEGAL REFS.: Ohio Const. VIII, Section 2e
ORC 3313.171; 3313.172; 3313.18; 3313.29; 3313.31; 3313.33; 3313.37;
3313.46
3319.04
3327.08
5705.38; 5705.40; 5705.41; 5705.412

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

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. 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 \$10,000 but under \$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 Superintendent 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 those bidders awarded contracts and notifies the other bidders of the results of the bidding.

[Adoption date: October 11, 2004]

LEGAL REFS.: ORC 153.50 through 153.56
9.314
3313.372; 3313.373; 3313.46
3319.04
3327.08

CROSS REF.: DJ, Purchasing
DJF, Purchasing Procedures
ECF, Energy Conservation
FA, Facilities Development Goals
FC. Facilities Capitalization Program
FEF, Construction

(Note: In a district lacking a Business Manager, the Superintendent normally acts in that capacity.)

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
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 Superintendent to determine whether the proposed substitution is in fact, an equal. Such decision is based on his/her evaluation and that of the requisitioner.

Requisitions

1. 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.
2. Only forms provided by the Superintendent are used for requisitioning.
3. Standard supply lists of commonly used items are jointly developed for all categories or groups of supplies by the Superintendent.
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 Superintendent.
6. Requisitions are prepared in triplicate, with the yellow copy to be retained by the requisitioner.
7. 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.
8. All approved requisitions are submitted to the Superintendent.

9. After a purchase order has been issued by the Treasurer's office, the number of the purchase order is recorded on the requisition.
10. After processing, the original copy of the requisition is filed in the office of the Superintendent.

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 instruction, including place and time;
 - D. signature of the 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 four copies each to be used as follows:
 - A. original to vendor;
 - B. copy 2 - filed numerically by purchase order number;
 - C. copy 3 - sent to the accounting office for encumbrance and later filed alphabetically by vendor and
 - D. copy 4 - 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.

Purchasing Cut-Off Date

As of April 10 of each year, no purchase orders shall be approved or encumbered for normal educational or operational supplies and equipment, except for the lunchroom account, select maintenance supplies and student activities. This allows the Treasurer to complete payment on encumbrances of the current fiscal year.

Emergency requisitions will be approved by the Superintendent on a limited basis only. Preplanning by both the staff and the administration for purchasing will keep emergency purchasing from April 10 thru June 30 at a minimum.

[Adoption date: January 10, 2000]

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 \$1,000, 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: January 10, 2000]

LEGAL REFS.: ORC 3313.46
3327.08
5705.41; 5705.412; 5705.44; 5705.45

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 bill.
3. Purchases from vendors that require a credit card as form of payment do not supersede the requirement of pre-approval of a purchase order for the purchase. The use of the Board's credit card for electronic commerce must be pre-approved by the submission of a purchase order prior to purchase.
4. The use of the Board's 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 Board's credit card is prohibited for the following items:

1. the purchase of personal goods or service 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 Board's credit card for personal, non-authorized 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 Board 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.

[Adoption date: October 11, 2004]

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~~ *use* shall be held and supervised by the Treasurer *or building principal* 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 permitted to be paid with credit cards.
6. The Treasurer / *principal, supervisors or other employees using credit cards must provide the Treasurer with all credit card use records* ~~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 (5) business days upon completion of approved use. Failure to turn in receipts and appropriate form(s) to the Treasurer within five (5) business days may result in the charges being deemed unrelated or unsubstantiated. The user is responsible for any unsubstantiated or unrelated purchases.

[Adoption date: October 11, 2004]

CROSS REFS.: DJ, Purchasing
DJB, Petty Cash Accounts
DLC, Expense Reimbursement
GCL, Professional Staff Development Opportunities
GDL, Support Staff Develop

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 10, 2000]

LEGAL REFS.: ORC 3313.18
3315.08
5705.41; 5705.412

CROSS REFS.: DJ, Purchasing
DJB, Petty Cash Accounts
DLC, Expense Reimbursement
GCL, Professional Staff Development Opportunities
GDL, Support Staff Develop

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.

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

[Adoption date: January 10, 2000]

LEGAL REFS.: ORC 9.41-9.43; 9.80; 9.81; 9.90; 9.91
145.37; 145.71-145-73
3307.51
3313.262
3917.04

CROSS REF.: GCBD, Certificated Staff Leaves and Absences

CONTRACT REFS.: Certificated Staff 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 such supporting receipts as required by the Administrative Procedures. Such 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 has been authorized, mileage payment is made at the rate currently approved by the Board and within the limitations of federal law.

A traveler on official school business is expected to exercise the same care in incurring expenses that a prudent person would exercise in travel 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 10, 2000]

LEGAL REFS.: ORC 3313.12; 3313.20
3315.15

CROSS REF.: GCL, Certificated Staff Development Opportunities

CONTRACT REFS.: Certificated Staff Negotiated Agreement
Classified Staff Negotiated Agreement

CASH IN SCHOOL BUILDINGS

Moneys 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.

All moneys collected are receipted, accounted for and deposited every 24 hours.

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

[Adoption date: January 10, 2000]

LEGAL REFS.: ORC 9.38

CROSS REF.: DH, Bonded Employees and Officers
IGDG, Student Activities Funds Management

SCHOOL PROPERTIES DISPOSAL PROCEDURE

The Board believes that the efficient administration of the District requires the disposition of property and goods no longer necessary for the maintenance of the educational program or the 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. Therefore, the Board follows the procedures required by the various statutes governing the disposal of real or personal property.

Before the administration may sell school property, the Board must declare the property to no longer be needed for school purposes. The Board follows the procedures set forth in State 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 first required to sell its real property to start-up community schools operating in the District. If the community school is not interested in buying the property, the Board can sell its real or personal property at a public auction and follow specific statutory requirements if the property exceeds \$10,000 in value. If this amount 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.

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

For the disposal of property which is not governed by 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 law. 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 10, 2000]

[Revised: July 9, 2007]

CROSS REF.: FL, Retirement of Facilities

SECTION D: FISCAL MANAGEMENT

- DA* Fiscal Management Goals (last revised date Jan.10, 2000)
DAA Fiscal Management Priority Objectives (last revised _____)
- DB* Annual Budget and Appropriations Measure (Also DBK) (last revised Jan. 10, 2000)
DBA Budgeting System (last revised _____)
DBB Fiscal Year (last revised _____)
DBC Budget Deadlines and Schedules (last revised _____)
DBD* Budget Planning (last revised Jan. 10, 2000)
DBE Determination of Budget Priorities (last revised _____)
DBF Dissemination of Budget Recommendations (last revised _____)
DBG Budget Hearings and Reviews (last revised _____)
DBH* Budget Adoption Procedures (last revised Jan. 10, 2000)
DBHA Budget Referenda (last revised _____)
DBI Budget Appeals Procedures (last revised _____)
DBJ Budget Implementation (last revised _____)
DBK* Budget Modification Authority (Also DB) (last revised Jan.10, 2000)
- DC Taxing and Borrowing Authority/Limitations (last revised _____)
- DD* Funding Proposals and Applications (last revised Jan. 10, 2000)
- DE* Revenues from Tax Sources (last revised Jan.10, 2000)
DEA Revenues from Local Tax Sources (last revised _____)
DEB Revenues from State Tax Sources (last revised _____)
DEC Revenues from Federal Tax Sources (last revised _____)
- DF Revenues from Non-tax Sources (last revised _____)
DFA* Revenues from Investments (last revised Jan. 10, 2000)
DFAA Use of Surplus Funds (last revised _____)
DFB Revenues from School-Owned Real Estate (last revised _____)
DFC Grants from Private Sources (last revised _____)
DFD Rental and Service Charges (last revised _____)
DFE Gate Receipts and Admissions (last revised _____)
DFEA* Free Admissions (last revised Jan. 10, 2000)
DFF Royalties (last revised _____)
DFG Income from School Shop Sales and Services (last revised _____)
- DG* Depository of Funds (last revised Jan. 10, 2000)
DGA Authorized Signatures (last revised _____)
DGB Check-Writing Services (last revised _____)
- DH* Bonded Employees and Officers (last revised Jan. 10, 2000)
- DI* Fiscal Accounting and Reporting (last revised Jan. 10, 2000)
DIA Accounting System (last revised _____)

- DIB* Types of Funds (last revised Jan. 10, 2000)
- DIC Financial Reports and Statements (last revised _____)
- DID* Inventories (Fixed Assets) (last revised Jan. 10, 2000)
- DIE* Audits (last revised Jan. 10, 2000)

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- DJC* Bidding Requirements (last revised Jan. 10, 2000)
- DJD Local Purchasing (last revised _____)
- DJE Cooperative Purchasing (last revised _____)
- DJF* Purchasing Procedures (last revised Jan. 10, 2000)
- DJF-R* Purchasing Procedures (last revised Jan. 10, 2000)
- DJG Vendor Relations (last revised _____)
- DJGA Sales Calls and Demonstrations (last revised _____)

- DK* Payment Procedures (last revised Jan. 10, 2000)

- DL Payroll Procedures (last revised _____)
- DLA Payday Schedules (last revised _____)
- DLB* Salary Deductions (last revised Jan. 10, 2000)
- DLC* Expense Reimbursements (last revised Jan. 10, 2000)

- DM* Cash in School Buildings (last revised Jan.10, 2000)

- DN* School Properties Disposal Procedure (last revised Jan.10, 2000)

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