

SECTION D: FISCAL MANAGEMENT

DA	Fiscal Management Goals
DB	Annual Budget and Appropriations Measure
DBD	Budget Planning (Five-Year Forecast)
DBG	Budget Hearings and Reviews
DBK	Budget Modification Authority
DD	Funding Proposals and Applications
DE	Revenues from Tax Sources
DFA	Revenues from Investments
DFG	Income from School Sales and Services (Public School Support Fund)
DGA	Authorized Signatures (Use of Facsimile Signatures)
DH	Bonded Employees and Officers
DI	Fiscal Accounting and Reporting
DID	Inventories (Fixed Assets)
DIE	Audits
DIF	Contingency Plan for Potential Catastrophic Revenue Loss
DJ	Purchasing
DJB	Petty Cash Accounts
DJC	Bidding Requirements
DJD	Local Purchasing
DJE	Cooperative Purchasing
DJF	Purchasing Procedures
DJG	Vendor Relations
DJH	Credit Cards (Purchasing Cards)
DK	Payment Procedures
DLB	Salary Deductions
DLC	Expense Reimbursements
DM	Cash in School Buildings
DN	School Properties Disposal

FISCAL MANAGEMENT GOALS

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

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

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

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

The Board seeks to achieve the following goals to:

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

[Adoption date: December 22, 2009]

ANNUAL BUDGET AND APPROPRIATIONS MEASURE/
BUDGET MODIFICATION AUTHORITY

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

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

Transfers Among Categories

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

[Adoption date: December 22, 2009]

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

BUDGET PLANNING
(Five-Year Forecast)

Budget planning is an integral part of program planning so that the annual operating budget may effectively express and implement all programs and activities of the District. Budget planning includes cost estimates in all ongoing financial requirements and anticipated local state and federal revenues. Budget planning is a year-round process involving broad participation by administrators, teachers and other personnel throughout the District.

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

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

[Adoption date: December 22, 2009]

LEGAL REFS.: ORC 9.34
5705.01; 5705.28 through 5705.32; 5705.35; 5705.36; 5705.37; 5705.39;
5705.391

CROSS REF.: AE, School District Goals and Objectives

BUDGET HEARINGS AND REVIEWS

The financial position of the District is communicated to all residents and taxpayers of the community. At a budget hearing or review, Board members and designated District administrators are familiar with and understand the need for each proposed expenditure and are capable of responding to community questions and concerns about the budget.

The budget, as accepted by this Board, is set forth in detail in the form prescribed by the Bureau of Inspection and Supervision of Public Offices and is made available for public inspection in the office of the Treasurer no less than 10 days before its adoption.

The Board provides at least one public hearing of the budget. Public notice of the hearing is given in at least one publication not less than 10 days prior to the date of the hearing.

[Adoption date: December 22, 2009]

LEGAL REFS.: ORC 9.34
3315.07
5705.08; 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: December 22, 2009]

LEGAL REF.: ORC 3313.20

REVENUES FROM TAX SOURCES

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

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

[Adoption date: December 22, 2009]

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

ORC 3301.07
3311.21
3313.17 through 3313.20; 3313.29; 3313.51
3317.01 through 3317.11
3323.09
Chapters 5701; 5705
5748.01 through 5748.06

REVENUES FROM INVESTMENTS

Scope

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

Objectives and Guidelines

The following investment objectives are applied in the management of the District's funds:

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

Authorized Financial Institutions and Dealers

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

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

Maturity

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

Derivatives

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

Allowable Investments

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

Collateral

All deposits are collateralized pursuant to State law.

Reporting

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

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

Internal Controls

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

[Adoption date: December 22, 2009]

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

INCOME FROM SCHOOL SALES AND SERVICES
(Public School Support Fund)

Income from these services is set up like a small general fund applicable to each building and operating on a school fiscal year.

The public school support fund anticipates receipts from the sale of goods and services including, but not limited to, pictures, vending machines, assemblies, food supplies, books, carnivals and the sale of occupational projects as part of the shop instruction related to the occupations being taught by the District. Receipts may also be obtained through third party donations, dues, fees and other charges.

The funds disbursed for the purchase of goods and services to support individual building curricular, cocurricular and extracurricular programs include, but are not limited to, personal services, supplies, equipment, repairs and maintenance, contract services and other objects in accordance with law.

[Adoption date: December 22, 2009]

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, of a description of the device used to produce the facsimile signature and a sample of the signature. Prior to the use of the facsimile signature, the written approval of the depository must be obtained.

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

[Adoption date: December 22, 2009]

LEGAL REFS.: ORC 9.10 through 9.14
133.27
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 for 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 President 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.

Position Schedule Bonds

Treasurer	\$20,000
Superintendent	\$20,000
Board President	\$20,000

All other employees are covered under a blanket bond.

[Adoption date: December 22, 2009]

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

CROSS REFS.: DM, Cash in School Buildings
EI, Insurance Management

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 and balances. 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 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: December 22, 2009]

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

INVENTORIES (Fixed Assets)

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

The District must 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 nonexpendable and does not lose its identity when incorporated into a more complex unit.

This District maintains a fixed asset accounting system that maintains 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 each individual structure.

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. Model numbers or serial numbers are noted in the description of each relevant item 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 \$300 or more and with an estimated useful life of three years or more is tagged and made part of the equipment inventory. For fixed asset reporting purposes, all equipment in excess of \$300 is used.

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

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

[Adoption date: December 22, 2009]

LEGAL REF.: ORC 3313.20

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: December 22, 2009]

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

CONTINGENCY PLAN FOR POTENTIAL CATASTROPHIC REVENUE LOSS

The Contingency Plan

The Board recognizes its responsibility to maintain District facilities in sound working condition in the event of a potential catastrophic revenue loss. Therefore, as part of its annual financial planning, the Board will consider transferring a sum of money from the District's General Fund to the Permanent Improvement Fund. Money in the Permanent Improvement Fund will be used to help maintain District facilities in sound working condition. Any accumulation of money in the Permanent Improvement Fund will be available in the event of a potential catastrophic revenue loss to ensure that District facilities continue to be properly maintained.

The Board recognizes the need to have on hand an amount of cash to assist with the operation of the District in the event of a potential catastrophic revenue loss. As such, the Board endorses the maintenance of a reserve for budget stabilization in the amount of five percent of base revenues defined below. As part of its annual financial planning, the Board will consider increasing its reserve for budget stabilization until the reserve equals five percent of base revenues. The Board desires the reserve for budget stabilization to reach five percent of base revenues as quickly as financially possible and maintain that amount indefinitely. In the event that expenditures from the reserve are necessary to operate the District during a catastrophic revenue loss, the Board desires that the reserve be re-established and will prepare a plan to replenish the reserve as quickly as financially possible.

Base revenues are defined as the total of the following General Fund revenue sources from the prior fiscal year:

Property taxes:

1. General Fund real and personal property tax revenue
2. Emergency levy fund revenue as a component of the General Fund
3. General Fund payments received in lieu of local property taxes

Income taxes:

1. General Fund revenue
2. District's share of city income tax based on development agreement

State foundation payments:

General Fund amount received as state foundation payments

The Board may appropriate monies from the amount set aside in its reserve for budget stabilization if any of the following circumstances exist:

1. The District's loss at the ballot of an existing operating levy in the current or previous fiscal year. (The loss at the ballot of a new operating tax levy does not qualify as a circumstance to authorize the appropriation of monies from the reserve for budget stabilization.)
2. Property tax or income tax delinquencies equal to five percent or more of taxes charged and payable in any one fiscal or calendar year.
3. A loss of five percent or more of total tangible personal property assessed valuation in any one fiscal or calendar year.
4. A loss in revenue or an expenditure due to civil insurrection which equals five percent or more of the District's base revenues as defined above.
5. A loss in revenue or an expenditure due to a natural disaster which equals five percent or more of the District's base revenues as defined above.
6. An expenditure due to a catastrophic capital loss which equals five percent or more of the District's base revenues as defined above.
7. A loss of state aid in any one fiscal year which equals five percent or more of the District's base revenues as defined above.
8. A tax refund paid by the District in any one fiscal year which equals five percent or more of the District's base revenues as defined above.
9. Any other unanticipated, extraordinary, unusual and infrequent occurrence in any one fiscal year that results in an expenditure or a loss in revenue equal to five percent or more of the District's base revenues as defined above.

The Board recognizes that actions will need to be taken as quickly as possible in response to a potential catastrophic revenue loss. Therefore, in the event of an actual catastrophic revenue loss, the Board requests that the Treasurer prepare an estimate of the amount of revenue loss as quickly as possible. This estimate may include information from the Franklin County Auditor, Ohio Department of Education, State Legislature or Ohio School Boards Association. Additionally, the Board requests that, where possible, the school Treasurer prepare estimates of amounts of potential catastrophic revenue losses prior to the actual occurrence of losses.

The Board recognizes that one or more District programs or activities may need to be temporarily or permanently discontinued in response to a potential catastrophic revenue loss. Therefore, in the event of an actual catastrophic revenue loss, the Board requests that the Superintendent of Schools and other administrators establish a prioritized list of District programs and activities that may be considered for discontinuation. Additionally, the Board requests that the Superintendent of Schools recommend any discontinuation of programs or activities to the Board who has the ultimate responsibility to approve any discontinuation. Although the Superintendent of Schools and other administrators are responsible to prepare any prioritized list to consider for discontinuation, they may seek input from staff and community members.

The Board recognizes that the District may be required to make expenditures or set asides in certain areas of the budget despite the existence of a potential catastrophic revenue loss. For example, the District may be required to expend or set aside three percent of certain revenues on textbooks and instructional materials due to House Bill 412 (1997). Therefore, in the event of an actual catastrophic revenue loss, the Board requests that the Superintendent of Schools and School Treasurer evaluate student fees and recommend strategies that could redirect fees away from items that could qualify as mandated expenditures or set asides if paid by the District's General Fund.

[Adoption date: December 22, 2009]

LEGAL REFS.: ORC 3315.17; 3315.18
5705.13

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.

The Board assigns to 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.

[Adoption date: December 22, 2009]

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

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

PETTY CASH ACCOUNTS

The Board directs the Treasurer to create petty cash accounts allowing certain purchases within the District. Money can be drawn from accounts by check or debit card. 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.

The debit card and check access is limited only to those individuals who have a job-related need to use these payment methods. Any person using the debit card or check must keep a written log which is to be turned in each day.

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 use the card, or who does not take prudent measures to ensure that proper security is maintained, may be held personally liable for losses.

[Adoption date: December 22, 2009]

LEGAL REFS.: ORC 9.38
3313.291

CROSS REFS.: DM, Cash in School Buildings
Financial Procedures Manual

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 two vendors. These quotations are treated confidentially until the deadline for filing is past; thereafter, they are public information.

The Superintendent/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: December 22, 2009]

LEGAL REFS.: ORC 9.314
153.01; 153.12 through 153.14; 153.50 through 153.56
3313.372; 33313.373; 3313.46
3319.04

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

LOCAL PURCHASING

The Board recognizes its position as a major purchaser in this community and while it is the intention of the Board to purchase materials and supplies of quality at the lowest possible cost through widespread competition, if all other considerations are equal, the Board prefers to purchase within the District from established local merchants.

The Board authorizes the Treasurer to award purchases placed in accordance with law, this policy and all policies of the Board otherwise applicable to local merchants when their quotation is competitive; freight charges are a factor; maintenance service may be required and promptness of delivery is a consideration provided that all statutes pertaining to public purchasing are duly observed.

[Adoption date: December 22, 2009]

LEGAL REF.: ORC 3313.20

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

COOPERATIVE PURCHASING

The Board recognizes the advantages of centralized purchasing in that volume buying tends to maximize value for each dollar spent. The Board encourages the administration to seek advantages in savings that may accrue to this District through joint agreements for the purchase of supplies, equipment or services with the governing body(s) of other governmental units.

The Board authorizes the Superintendent to negotiate such joint purchase agreements for services, supplies and equipment which may be determined to be required from time to time by the Board and which the Board may otherwise lawfully purchase for itself with governmental contracting units as may be appropriate in accordance with State law, the policies of this Board and the dictates of sound purchasing procedures.

Cooperative or joint purchases require an agreement approved by the Board and the participating contracting body(s) which specify the categories of equipment and supplies to be purchased; the manner of advertising for bids and of awarding contracts; the method of payment by each participating party and such other matters as may be deemed necessary to carry out the purposes of the agreement. Such agreements are subject to all legal bidding requirements.

[Adoption date: December 22, 2009]

PURCHASING PROCEDURES

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

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

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

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: December 22, 2009]

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

CROSS REFS.: DJ, Purchasing
DJC, Bidding Requirements
Financial Procedures Manual

VENDOR RELATIONS

All vendors must have clearance through the principal's office prior to making any contact with personnel in a building.

1. All requests for prices or for repair service shall be forwarded to, and all purchases shall be approved by, the Superintendent/designee.
2. Sales representatives are not permitted in schools or departments for the purpose of making sales. If it is necessary to contact sales representatives regarding special or highly technical details of their products, schools or departments should request such visits through the office of the principal or the Superintendent/designee.
3. Sales representatives who wish to present benefit programs (insurance, tax shelters, etc.) to teachers must make arrangements through the Superintendent. Presentations of these programs to groups of employees shall be voluntary on the part of the employee and shall be held after working hours. No school or administrative time shall be used to advertise unauthorized meetings.
4. Sales representatives are permitted to call upon persons authorized to make purchases for the cafeteria, the book or supply store and custodial and maintenance.

[Adoption date: December 22, 2009]

CREDIT CARDS
(Purchasing Cards)

The Board recognizes that bank credit cards (“purchasing cards”) offer an alternative to existing procurement processes and provide a convenient, efficient method of purchasing goods and services. Board employees authorized by the Treasurer may use purchasing cards only for school-related purposes in accordance with this policy and administrative guidelines to be developed by the Superintendent. Purchasing cards shall not be used to circumvent the general purchasing procedures required by Ohio law and Board policy.

All approved cardholders must agree to abide by purchasing card procedures and regulations set forth in this policy and relevant administrative guidelines. All transactions must be made by the individual to whom the card is issued.

Purchasing card banks shall provide no individual cardholder information (e.g., credit records or Social Security numbers) other than the individual cardholder’s work address.

The Treasurer conducts independent regular reviews of each cardholder’s activity to verify that the purchasing card is being used in accordance with this policy and administrative guidelines. Prices for commonly priced items should be periodically verified to prevent schemes of purposeful price inflation.

Cardholders must use common sense and good judgment when using school resources. This policy and related administrative guidelines cannot cover every issue, exception or contingency that may arise during the cardholders’ use of the purchasing card.

Cardholders must immediately surrender their cards upon request of the Treasurer for administrative reasons, and shall surrender their cards upon separation from employment.

The purchasing card may never be used for personal items or services, nor is the personal gain of credit card rewards such as bonus points, frequent flyer miles or any other affinity program permitted under any circumstances.

[Adoption date: December 22, 2009]

CROSS REFS.: DJ, Purchasing
DJB, Petty Cash Accounts
DLC, Expense Reimbursement
GCL, Professional Staff Development Opportunities
GDL, Classified Staff Development Opportunities
Financial Procedures Manual

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: December 22, 2009]

LEGAL REFS.: ORC 3313.18
3315.08
5705.38 through 5705.412

CROSS REFS.: DJ, Purchasing
DLB, Salary Deductions
Financial Procedures Manual

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.

Employees may participate in the Grandview Heights City School District 403 (b) Tax-Deferred Annuity Plan which includes specific vendors that may write contracts in the District. A list of current vendors is available from the Treasurer's office.

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

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

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

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

[Adoption date: December 22, 2009]

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

CROSS REFS.: DK, Payment Procedures
GCBD, Professional Staff Leaves and Absences
GDBD, Classified Staff Leaves and Absences
Financial Procedures Manual

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

EXPENSE REIMBURSEMENTS

The Board may provide for the payment of the actual and necessary expenses, including traveling expenses, of any staff member of the District incurred in the course of performing services for the District, whether within or outside the District, under the direction of the Board and in accordance with the Superintendent's administrative guidelines.

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.

The validity of payments for job-related expenses is determined by the Treasurer. Pre-approval for estimated travel expenses by the Superintendent is required.

The Board may pay the expenses of staff members when they attend meetings with prior approval in accordance with the policy of the Board and in accordance with the administrative guidelines of the Superintendent.

Staff members are expected to exercise the same care incurring travel expenses that a prudent person would exercise if traveling on personal business and expending personal funds. Unauthorized costs and additional expenses incurred for personal preference or convenience will not be reimbursed.

Unauthorized expenses include but are not limited to alcohol, movies, supplemental insurance on rental cars, fines for traffic violations and the entertainment/meals/lodging of spouses or guests.

Accrual of personal frequent-flyer miles, hotel "bonus points", credit card "rewards", or any other reward under similar affinity programs (including credit points or rewards directed to non-profit organizations) is strictly prohibited.

[Adoption date: December 22, 2009]

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

CROSS REFS.: BHD, Board Member Compensation and Expenses
GCL, Professional Staff Development Opportunities
Financial Procedures Manual

CASH IN SCHOOL BUILDINGS

Monies 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.

State law requires a proper receipting and depositing of all public monies. Therefore, all monies collected are receipted, accounted for and deposited every day. Specifically, if the money collected:

1. exceeds \$1,000, it must be deposited on the next business day or placed in a safe or
2. does not exceed \$1,000, it must be deposited the next business day or placed in a safe place to be deposited within three business days.

In no case shall monies 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: December 22, 2009]

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

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: December 22, 2009]

LEGAL REFS.: ORC 131.09
3313.17; 3313.37; 3313.40; 3313.41

CROSS REFS.: AFE, Evaluation of Instructional Programs
FL, Retirement of Facilities
Financial Procedures Manual