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## 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 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 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: February 18, 2003]

ANNUAL TAX BUDGET AND APPROPRIATIONS MEASURE/  
BUDGET MODIFICATION AUTHORITY

Budget

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 such time as the Board approves the annual appropriations resolution for the year, which is not later than October 1. If by October 1 the county budget commission has not certified all amended certificates of estimated resources to the Board of Education (or submitted a certification that no amended certificates are necessary), the Board can delay action on the annual appropriation measure until such time as the certificates are received.

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

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

Budget Modification

Modification of funds between line item 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 monies from those categories in which a surplus is anticipated into those in which a deficit is anticipated as permitted by State or Federal statutes.

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

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

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[Adoption date: February 18, 2003]  
[Re-adoption date: June 24, 2004]

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 four years beyond the current fiscal year.

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

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

[Adoption date: February 18, 2003]

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

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

## BUDGET PLANNING

The budget is designed to reflect the objectives of the Board for the education of the students of the District. Therefore, it must be carefully organized and planned to ensure adequate understanding of the financial needs associated with program development. This necessitates a long-range view of District financial requirements.

To meet the objective of this policy, the Board directs the Superintendent and Treasurer to:

1. include in all ongoing District studies of the educational program an estimated annual cost of implementing said program;
2. prepare a long-range year-by-year plan for the maintenance and replacement of facilities and equipment;
3. maintain a plan of anticipated revenues based on changes in state and federal legislation and
4. report to the Board any serious financial implications arising from the budget plan.

The budget should be scrutinized with care by each member of the Board, prior to adoption, but once adopted, it deserves the support of all members of the Board regardless of their position when adoption was voted.

The Board recognizes its obligation to the taxpayers of this community to approve only those expenses reasonably required to provide an educational program suitable to the desires of this community. The District applies any surplus funds from the prior years budget against taxes to be raised locally for the subsequent budget, except such funds as may be required to operate the District for one pay period, should funds become temporarily unavailable for that purpose.

The budget should evolve primarily from the needs of the individual buildings, as expressed by the central administration, and be compatible with approved District plans.

In preparing the budget, the responsible administrator sets the following general priorities for expenditures:

1. staff for the maintenance of current programs;
2. equipment and supplies for the maintenance of current programs;
3. maintenance of existing facilities and equipment;
4. new staff for the improvement or expansion of current programs and
5. new equipment and supplies for the improvement or expansion of current programs.

(Approval date: February 18, 2003)

## BUDGET HEARINGS AND REVIEWS

The annual budget proposal once adopted represents the position of the Board and all reasonable means are employed by the Board to present and explain that position to all residents and taxpayers of the community.

The proposed budget as accepted by this Board sets 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.

In order to prepare for the budget presentation, the Board may designate members to:

1. meet with interested community groups upon request to explain the budget and
2. use all appropriate means to inform residents of the District of the budget hearing date.

[Adoption date: February 18, 2003]

## 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: February 18, 2003]

LEGAL REFS.: ORC 5705.28; 5705.30

## 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 for the educational benefit of its students.

[Adoption date: February 18, 2003]

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: February 18, 2003]

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

## REVENUES FROM INVESTMENTS

All monies are under the control of the Board, which extends to the Treasurer the responsibility of overseeing these funds. In addition to the objectives detailed below, all relevant legal requirements are adhered to at all times.

### Objectives

The following objectives apply to the management of District funds.

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

### Public Trust

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

### Investing Authority

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

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

### Authorized Financial Institutions and Dealers

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

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

Repurchase agreements are transacted only through bank branches and/or through “primary securities dealers” located within the state with which the District has a signed master repurchase agreement as required by law.

Certificates of deposit are transacted through commercial banks or savings and loans with either FDIC or FSLIC coverage.

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

#### Authorized Investments

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

#### Maturity

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

#### Diversification

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

#### Collateral

All investments and deposits are collateralized pursuant to law.

#### Competitive Bids

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

#### Internal Controls

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

Reporting

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

Performance Evaluation

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

[Adoption date: February 18, 2003]

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



## GRANTS FROM PRIVATE SOURCES

The Board accepts its responsibility to provide from public funds sufficient supplies and equipment for an effective instruction program; it recognizes, however, that from time to time individuals or organizations in the community may wish to contribute additional supplies or equipment to enhance or extend the instructional program.

All donations with a value of \$200 or more made to the District must be accepted by the Board. As part of that action, a designation of fund and purpose must be given.

The Board reserves the right to refuse to accept any gift when the conditions and stipulations connected with it deprive the Board of control of the gift; when ownership of the gift would not contribute toward the achievement of the goals of this District and/or when ownership would tend to deplete the resources of the District.

Any gift accepted by the Board becomes the property of the Board, may not be returned without the approval of the Board and is subject to the same controls and regulations as are other properties of the Board.

The Board is responsible for the maintenance of any gift it accepts, subject to any conditions or stipulations connected with the gift.

The Board makes every effort to honor the intent of the donor in its use of the gift, but reserves the right to utilize any gift it accepts in the best interest of the educational program of the District. In no case shall acceptance of a gift be considered to be an endorsement by the Board of a commercial product or business enterprise or institution of learning.

The Superintendent shall:

1. counsel potential donors on the appropriateness of gifts and encourage such donors to choose as gifts supplies or equipment not likely to be purchased with public funds;
2. encourage individuals and organizations considering a contribution to the schools to consult with the principal or Superintendent before appropriating funds to that end;
3. report to the Board all gifts which he/she has accepted by the District;
4. prepare fitting means for recognizing or memorializing gifts to the District as appropriate and
5. establish rules and regulations implementing the conditions and limitations upon any gift or donation which has been accepted by the Board.

[Adoption date: February 18, 2003]

Alexander Local School District, Albany, Ohio





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, photo static or mechanical device. The Treasurer must notify the designated depositories, in writing, a description of the device used to produce the facsimile signature and a sample of the signature.

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

[Adoption date: May 17, 2007]

LEGAL REFS.: ORC 9.10 through 9.14  
1306.06

## BONDED EMPLOYEES AND OFFICERS

At the time of appointment or re-appointment of the Treasurer, the Board authorizes the Treasurer to execute a bond 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.

[Adoption date: February 18, 2003]

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

CROSS REFS.: DJ, Purchasing  
DM, Cash in School Buildings

## FISCAL ACCOUNTING AND REPORTING

The District's accounting system is in conformance with the Uniform School Accounting System as prescribed by the Auditor of State for the use of school districts. The Treasurer is responsible for receiving and properly accounting for all funds of the District.

The financial records must be adequate to:

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

The Board receives monthly financial statements from the Treasurer which show receipts, disbursements, appropriations, encumbrances, balances, 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 State law and in compliance with specifications of the District's records commission, the Auditor of State and the Ohio Historical Society.

[Adoption date: February 18, 2003]

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

Alexander Local School District, Albany, Ohio



## TYPES OF FUNDS

### Textbook and Instructional Materials Fund

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

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

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

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

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

### Capital and Maintenance Fund

The Capital and Maintenance Fund consists of 3% of 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 State law. The fund is implemented under the Auditor of State's guidelines as they are currently enacted; therefore, the requirement may be less for a particular fiscal year.

### Public School Support Fund

The Public School Support Fund is intended to function like a small general fund applicable to each building and operating on a school fiscal year.

The Public School Support Fund anticipates receipts from sale of goods and services, including, but not limited to, pictures, vending machines, assemblies, food supplies, books and carnivals. Receipts may also be obtained through third party donations, dues, fees and other charges.



The Public School Support Fund anticipates the need to disburse funds for the purchase of goods and services to support individual buildings' curricular, cocurricular and extracurricular programs, including, but not limited to, personal services, supplies, equipment, repairs and maintenance, contract services and other objects in accordance with the Uniform School Accounting System.

#### Change Fund

The Board recognizes the convenience of a change fund in the day-to-day operation of the District.

The Board authorizes the establishment of change funds to be in the care of the designated building cashier and/or athletic director who shall be responsible for providing change as needed.

#### Athletic Fund

It is the purpose of the Board to establish financial controls for the management of athletic programs and activities associated with athletics.

The athletic fund consists of those programs which have student participation but not student management, including interscholastic sports and cheerleaders.

The athletic director is responsible for the administration of the athletic fund. The fund is audited annually and administered under appropriate accounting controls.

All gate receipts must be turned in to the athletic director on the day of collection and must be deposited on the day they are received.

All payments for supplies, equipment and services for the interscholastic athletic program are made in accordance with established purchasing procedures of the District.

[Adoption date: February 18, 2003]

LEGAL REFS.: ORC 3315.17; 3315.18

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



## INVENTORIES (Fixed Assets)

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

The District shall conduct a complete inventory every five years, by physical count, of all District-owned equipment and supplies. For purposes of this policy, "equipment" means a unit of furniture or furnishings, an instrument, a machine, an apparatus or articles which retain shape and appearance with use, is nonexpendable and does not lose its identity when incorporated into a more complex unit.

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

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

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

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

All equipment purchased, after the initial inventory, as capital outlay or replacement with a cost of \$500.00 or more and with an estimated useful life of five years or more is tagged and made part of the equipment inventory.

Audio-visual equipment and computer equipment are inventoried through the library with sublisting of location. Each component is inventoried and a number is engraved on each. An accurate official record of textbooks, computer software and library books is kept.

A computer-generated listing of all equipment is supplied to each building and department. This listing is updated annually by the close of the school year, 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 administrative/instructional and support staffs in the performance of this function.

[Adoption date: February 18, 2003]

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: February 18, 2003]

LEGAL REFS.: ORC 117.10; 117.11; 117.12; 117.26; 117.27; 117.28  
3313.29

## PURCHASING

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

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

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 \$15,000 or the line-item appropriation and fund, whichever is less, is authorized to the extent permitted by law. The permitted purpose list may include payment for accountants, architects, attorneys, construction project managers, consultants, engineers, fuel oil, gasoline, food items and utilities. The specific purpose purchase order may not extend beyond the current fiscal year.

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

The Board assigns the purchasing agent the responsibility for the quality and quantity of purchases made. The Treasurer is charged with the responsibility 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: February 18, 2003]

[Re-adoption date: October 21, 2004]

LEGAL REFS.: Ohio Const. VIII, Section 2e

ORC 9.314

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  
DK, Payment Procedures

## PETTY CASH ACCOUNTS

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

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

[Adoption date: February 18, 2003]

LEGAL REFS.: ORC 9.38  
3313.291

CROSS REF.: DM, Cash in School Buildings

## 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 over \$2500 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 Business Manager assembles the proper specifications and makes the necessary arrangements for public bidding and price quotations. The Treasurer receives the bids and price quotations and records them. The Business Manager makes his/her recommendations to the Board. Upon approval by the Board, he/she processes purchase orders to those bidders awarded contracts and notifies the other bidders of the results of the bidding.

[Adoption date: February 18, 2003]

[Re-adoption date: October 21, 2004]

LEGAL REFS.: ORC 153.50 through 153.56  
9.314  
3313.372; 33313.373; 3313.46  
3319.04  
3327.08

CROSS REFS.: DJ, Purchasing  
DJF, Purchasing Procedures  
ECF, Energy Conservation  
FA, Facilities Development Goals  
FC, Facilities Capitalization Program  
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 and maintenance service may be required, provided that all statutes pertaining to public purchasing are duly observed.

[Adoption date: February 18, 2003]

## COOPERATIVE PURCHASING

The Board recognizes the advantages of centralized purchasing in that volume buying tends to maximize value for each dollar spent. The Board, therefore, 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 Treasurer 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.

He/She shall report all such negotiations to the Board and seek Board approval for all contemplated agreements.

[Adoption date: February 18, 2003]

## 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 \$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: February 18, 2003]

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

CROSS REFS.: DJ, Purchasing  
DJC, Bidding Requirements

## PURCHASING PROCEDURES

### General

1. The Board designates the Superintendent as the Purchasing Agent.
2. Only the persons designated by the Board may commit the system to a purchase.
3. The materials, equipment, supplies and/or services to be purchased are of the quality required to serve the function in a satisfactory manner, as determined by the requisitioner and the Superintendent.
4. It is the responsibility of the requisitioner to provide an adequate description as required by the Superintendent, so that the latter may be able to prepare the specifications and to procure most expeditiously and economically the desired commodity and/or service. A source of supply should be included on requisitions for specialty or unusual items.
5. It is the responsibility of the Superintendent to make alternate suggestions to the requisitioner if, in the judgment of the Superintendent, the specification would restrict competition or otherwise preclude the most economical purchase of the required items. In the case of disagreement, either party may refer the matter in accordance with established procedure.
6. When a low bidder proposes an alternate as equal to that specified, it is the responsibility of the Treasurer to determine whether the proposed substitution is, in fact, an equal. Such decision is based on his/her evaluation and that of the requisitioner. In the case of disagreement between the requisitioner and the Treasurer, either party may refer the matter to the Superintendent.

### Requisitions

1. The following are designated as “requisitioner”; that is, they are authorized to issue requisitions against stipulated segments of budgetary appropriations: the Superintendent, 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 Treasurer are used for requisitioning.
3. Standard supply lists of commonly used items are jointly developed for all categories or groups of supplies by the Treasurer.
4. Items not specifically included on standard lists are requisitioned on the regular requisition forms.

5. The number of requisitions are kept to a minimum. They are submitted to conform with the purchasing schedule established by the Treasurer.

6. Requisitions are prepared in triplicate, with the pink copy to be retained by the requisitioner.
7. A requisition, to be considered appropriate for processing, meets the following requirements:
  - A. contains adequate information;
  - B. approved by and bears the signature of an authorized requisitioner and
  - C. signed by the Superintendent.
8. All approved requisitions are submitted to the Treasurer.
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. Copy 2 – returned to requisitioner, to be returned to the Treasurer's office after certification as to receipt in proper quantity and satisfactory condition. (This copy is filed with the voucher packet by check number.)
11. After processing, the original copy of the requisition is filed with voucher packet in the office of the Treasurer.

#### Purchase Orders

1. Purchase orders are prepared by the appropriate person and include the following essentials:
  - A. a specification which adequately describes to the supplier the characteristics and the quality standards of the item required;
  - B. a firm, quoted, net-delivered price, whenever possible (unit prices are shown);
  - C. clear delivery instructions, including place and time;
  - D. appropriate account code number and
  - E. 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 – accounting office copy, later filed with voucher packet and
- D. copy 4 – extra copy used for federal grants, etc.

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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.
  - B. A confirming requisition is issued immediately, marked “confirmation” indicating the purchase order number, if one was given.

(Approval date: February 18, 2003)



## VENDOR RELATIONS

No member of this Board shall have any direct or indirect pecuniary interest in any contract of the Board or be employed by the Board, except as Treasurer. It shall not be considered a pecuniary interest where a member who is a shareholder, but not a director or officer, of a corporation owning not more than five percent of the stock of such corporation files with the Treasurer an affidavit of his/her status with the corporation.

Members of the Board and its authorized agents shall observe the following guidelines in transactions for the District:

1. All persons as afore defined shall decline gifts from any individual, group or entity doing or desiring to do business with the District and shall refrain from soliciting funds or material from vendors, however worthy the purpose.
2. All business-related gratuities are specifically prohibited except nominal value advertising items widely distributed.
3. In interviews with salespersons, no one who is not a member of the central office staff shall commit himself/herself, by implication or otherwise, on preference for any product, the District's source of supply for any product, or give any information regarding performance or price which might in any way embarrass the District or its representatives.
4. All vendors must have clearance through the central office prior to making any contact with personnel in a building.

All communications with suppliers shall be through the central office except in special cases where technical details make it advisable to delegate authority to others. A copy of all correspondence is forwarded to the Superintendent and Treasurer.

[Adoption date: February 18, 2003]

## CREDIT CARDS

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

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

### Credit Cards

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

[Adoption date: October 21, 2004]

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



## CREDIT CARDS

Credit cards may be used for the following purposes.

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

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

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

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

5. entertainment expenses, including pay-per-view movie charges and/or
6. cash advances.

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

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

(Approval date: October 21, 2004)



## 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: February 18, 2003]

LEGAL REFS.: ORC 3313.18  
3315.08  
5705.38 thru 5705.412

CROSS REFS.: DJ, Purchasing  
DLB, Salary Deductions

## PAYROLL PROCEDURES

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

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

Each motion of the Board to employ or reemploy on a contractual basis (i.e., for a fixed period of time) shall include the name of the individual, the position, title and the period of employment.

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

All substitute employees shall be placed on an approved list by the Board before they can be assigned substitute duty by the administration. This list shall include the names of the substitutes.

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

Approval for payment in the performance of special activities is required as follows:

1. home-based tutors as certified by the building principal;
2. coaches as certified by the athletic director and
3. extracurricular advisors as certified by the building principal.

Authorization is hereby given to withhold salary or wages for unapproved time off in accordance with Board policy by action of the Superintendent.

Overtime can only be paid support employees when authorized previously by the supervisor and subsequently approved by the Superintendent.

All employees shall be paid in 26 or 27 pays. Such payments shall be made every other Friday.

Payroll checks shall be signed by the Treasurer.

[Adoption date: February 18, 2003]

Alexander Local School District, Albany, Ohio

## 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 10 full-time 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 should not occur. Repeated unauthorized absences can result in the teacher or other employee being disciplined.

[Adoption date: February 18, 2003]

LEGAL REFS.: ORC 9.40 thru 9.43; 9.45; 9.80; 9.81; 9.90; 9.91  
145.37; 145.71-145.73  
148.04  
3307.51  
3313.262

3315.08  
3917.04

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CROSS REFS.: DK, Payment Procedures  
GCBD, Administrative/Instructional Staff Leaves and Absences  
GDBD, Support Staff Leaves and Absences

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



## EXPENSE REIMBURSEMENTS

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

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

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

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

[Adoption date: February 18, 2003]

[Re-adoption date: May 17, 2007]

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

## CASH IN SCHOOL BUILDINGS

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

State law requires a proper receipting and depositing of all public monies. Therefore, all monies collected are receipted, accounted for and deposited every day, if possible. 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 more than \$10 be left overnight in unsecured areas of school buildings. The Treasurer provides for making bank deposits after regular banking hours in order to avoid leaving money in a school building overnight.

[Adoption date: February 18, 2003]

[Re-adoption date: May 17, 2007]

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: October 18, 2007]

CROSS REF.: FL, Retirement of Facilities