

# Fiscal Management

Approved 5.21.2012

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## **SECTION 501 – FEDERAL FUNDS**

It is the objective of the Board of Education to provide equal educational opportunities for all students within the School. Therefore, it is the intent of the Board to study Federal legislation to enhance the educational opportunities, the educational environment, and the physical and mental growth for each student.

The Director shall review new Federal education legislation and prepare proposals for programs s/he deems would be of aid to the students of this School. The Director shall approve each such proposal prior to its submission. Board approval is required for each grant submission requiring a local match. The Board shall take action to approve receipts from all grants resulting from such proposals.

The Board regards available Federal funds of aid to public schools and communities as a public trust. It forbids the use of Federal monies for partisan political activities and for any use that would not be in accord with Federal guidelines on discrimination. All Federal funds received by the School will be used in accordance with the applicable Federal law. The Director shall ensure that each draw of Federal monies is as close as administratively feasible to the related program expenditures.

No Federal funds received by the Board shall be used to:

- A. Develop or distribute materials, or operate programs or courses of instruction directed at youths, that are designed to promote or encourage sexual activity, whether homosexual or heterosexual;
- B. Distribute or aid in the distribution by any organization of legally obscene materials to minors on school grounds;
- C. Provide sex education or HIV-prevention in schools unless that instruction is age appropriate and includes the health benefits of abstinence; or
- D. Operate a program of contraceptive distribution in schools.

## **SECTION 502 – INVESTMENT AND DEPOSITORY POLICY**

### **Objectives and Guidelines**

The following investment objectives will be applied in the management of this public entity's funds:

- Investments shall be made with the exercise of that degree of judgment and care, which persons of prudence, discretion, and intelligence exercise in the management of their own affairs, not for speculation but for investment, considering the probable safety of their capital as well as the probable income to be derived.
- The investment portfolio shall remain sufficiently liquid to enable the Treasurer to meet reasonable anticipated operating requirements.
- The primary objective shall be the preservation of capital and protection of principal while earning investment interest.
- In investing public funds, the Treasurer will strive to achieve a fair and safe average 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.
- 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.
- Bank account relationships will be 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 shall be purchased only through financial institutions located within the State of Ohio or through "primary securities dealers" as designated by the Federal Reserve Board.

Certificates of Deposits shall be transacted through commercial banks with FDIC coverage which are located with the State of Ohio and qualify as eligible financial institutions under Ohio Revised Code, Chapter 135.

### **Maturity**

To the extent possible, the Treasurer will attempt to match its 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 and in stripped principal or interest obligations of eligible obligations 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 Ohio Revised Code, Chapter 135 as amended. A copy of the appropriate O.R.C. section will be kept with this policy.

### **Collateral**

All deposits shall be collateralized by the banking institutions with specific collateral.

### **Reporting**

The investing authority shall establish and maintain an inventory of all obligations and securities acquired by the investing authority. The inventory shall include the description of the security, type, cost par value, maturity date, settlement date, and coupon rate. The investing authority shall produce a monthly portfolio reporting detailing the current inventory of all obligations and securities, and all transactions during the month, income received, and investment expenses paid, and the names of any persons affecting transactions on behalf of the investment authority.

Pursuant to O.R.C. Chapter 135, all brokers, dealers, and financial institutions initiating transactions with the investment authority by giving advice or making investment policy, or executing transactions initiated by the investment authority, must acknowledge their agreement to abide by the investment policy's content. They must also agree to keep a current copy of the Academy's approved investment policy on file.

R.C. 133.23, 135.01-.21, 135.22, 45, 135.142, 3317.06, 3315.01, 3315.40, 5705.10

### **SECTION 503 – BORROWING**

Upon the initiative of the Board of Education and as provided by the laws of the State of Ohio, including the Uniform Bond Law and the Ohio Constitution the Treasurer shall prepare the data necessary for any applications regarding borrowing of cash for ongoing operations or special projects previously approved by the Board.

Funds shall be borrowed from a responsible individual or organization offering the most favorable terms, as approved by the Board.

## **SECTION 504 – BAD CHECKS**

When the School receives a check from a student or parent that, when deposited, is returned marked “insufficient funds”, the Treasurer shall provide an opportunity for the payer to make proper payment. If payment is not received within ten (10) working days, or the monies do not appear to be collectable, the Board of Education authorizes the Treasurer to remove the fee or charge from the School’s Accounts Receivable and to take appropriate action against the student and/or the parents.

## **SECTION 505 – STUDENT FEES, FINES, AND CHARGES**

The Board of Education will provide the necessary textbooks and/or electronic textbooks required by the course of study free of charge for its students. The Board may, however, need to levy certain charges to students to facilitate the utilization of other appropriate learning materials used in the course of instruction. If the School determines that a student is in serious financial need, it may choose to provide any or all such materials free of charge. Any such waiver of these charges shall be made in accordance with other Board policies.

A charge shall not exceed the combined cost of the material used, freight and/or handling charges, and nominal add-on for loss. Money received from resale of such material shall be returned to the Treasurer with an accurate accounting of all transactions.

### **Fees**

For the purposes of this policy, “school fees” or “fees” mean any monetary charge collected by the School from a student or the parent(s) or guardian of a student as a prerequisite for the student’s participation in any curricular or extra-curricular program of the School.

“School fees” include, but are not limited to, the following:

- A. All charges for required workbooks and instructional materials
  
- B. All charges and deposits collected by a school for use of school property (e.g., locks, towels, laboratory equipment)

### **Fines**

When school property, equipment, or supplies are damaged, lost, or taken by a student, a fine will be assessed. The fine will be reasonable, seeking only to compensate the school for the expense or loss incurred. The late return of borrowed books or materials from the school libraries will be subject to appropriate fines. Any fees, fines, and/or other charges collected by members of the staff shall be turned in to the Treasurer within one (1) business day after collection.

In accordance with R.C. 3313.642, failure to pay fees and fines may result in the withholding of grades and credit. In the event the above course of action does not result in the fee being collected,

the Board authorizes the Treasurer to take the student and/or his/her parents to Small Claims Court for collection. Nothing in this policy restricts the right of access of a parent or student to school records or to receive copies of such records, as required by Federal and State laws. R.C. 3313.642, 9.38

### **SECTION 506 – WAIVER OF SCHOOL FEES**

The School shall waive fees assessed by the School only for students whose parent(s) or guardians are unable to afford them. The Director may, as deemed necessary, establish additional procedures to supplement the procedures established in this policy regarding the requests for the waiver of fees.

#### **Eligibility Standards**

Students eligible for a waiver of school fees include, but are not limited to, the following:

- A. Students who qualify for free lunches or breakfasts under the School Free Lunch Program Act.
- B. Proof that student is receiving TANF assistance.

#### **Notification to Parents**

- A. Annually the substance of this policy shall be communicated in writing to the parent(s) or guardian of all students in the School.
- B. The first bill or notice sent to parents or guardians who owe fees shall state:

- 1. The School will waive fees for persons unable to afford them in accordance with its policy.
- 2. The procedure for applying for a fee waiver, and the name, address and telephone number of the person to contact for information concerning a waiver.

#### **Procedures for Resolution of Disputes**

A. A parent(s) or guardian who cannot pay school fees may submit an application for waiver of fees to the Treasurer. The application must contain the following:

1. Name(s) of student(s)
2. Name of parent(s) or guardian(s)
3. Address of parent(s) or guardian(s)
4. Phone number of parent(s) or guardian(s)
5. School where child(ren) attend(s)
6. Reason for request for waiver of fees

The Treasurer shall have the authority to review the waiver request and request such further information, if any, as s/he deems necessary in order to make a decision on that request.

B. No fee shall be collected from any parent(s) or guardian who is seeking a fee waiver in accordance with the School's policy until the School has acted on the initial request or appeal (if any is made), and the parent(s) or guardian have been notified of the decision.

C. If the Treasurer denies a request for fee waiver, then a copy of the decision shall be mailed to the parent(s) or guardian within fifteen (15) school days of receipt of the request. The decision shall state the reason for the denial and shall inform the parent(s) or guardian of the right to appeal, including the process and timelines for that action. The denial notice shall also include a statement informing the parent(s) or guardian that reapplication may be made for a waiver any time during the school year, if circumstances change.

D. An appeal of the Treasurer's decision must be made to the Director within seven (7) calendar days after receipt of the decision. An appeal shall be decided within

thirty (30) calendar days of the receipt of the parent's or guardian's request for an appeal. The parent(s) or guardian(s) shall have the right to meet with the Director in order to explain why the fee waiver should be granted.

### **Nondiscrimination**

The Board expects all staff members to exercise the utmost care to see that, as a result of their actions or comments, students cannot differentiate between those students whose parents are unable to purchase required instructional materials or pay required fees and those whose parents can.

### **SECTION 507 – FISCAL PLANNING**

The Board of Education shall collect and assemble the information necessary to discharge its responsibility for the fiscal management of the School and to plan for the financial needs of the educational program. The Board will strive toward maintaining both short and long range projections of the School financial requirements.

Accordingly, the Board directs the Treasurer to:

- A. Include cost estimates in all ongoing financial requirements;
- B. Maintain a plan of anticipated local, State, and Federal revenues;
- C. Report to the Board any serious financial implications that emerge from the School's ongoing fiscal planning.

In addition, the Board directs the Treasurer to maintain annually a detailed five (5) year forecast of estimated optional expenditures and revenues.

Accordingly the Board directs the Director or designee to prepare a long range year-by-year projection of estimated revenues and expenditures in October and May of each fiscal year.

R.C. 9.34, 5705.28, 5705.30,5705.391

### **SECTION 508 – APPROPRIATIONS AND SPENDING PLAN**

The annual appropriation measure shall be designed to carry out the School operations in a thorough and efficient manner, maintain School facilities properly, and honor continuing obligations of the Board of Education.

The Board may establish a Board Service Fund which shall not exceed the greater of two dollars (\$2.00) per enrolled student or \$5,000. The Board Service Fund shall be set aside from the General Fund, on an annual basis, by resolution of the Board and shall be used to pay expenses actually incurred by Board members in the performance of their official duties. Such fund may also be used to pay for the expenses actually incurred by newly elected Board members relative to training and orientation to the performance of their duties prior to taking office. Appropriations from this fund shall not exceed the sum specified by R.C. 3315.15 in any one school year.

An annual appropriations resolution shall be developed, approved, and filed according to statute and the requirements of the Auditor of the State of Ohio.

The Board shall adopt as part of its annual appropriation measure a spending plan (also known as The Five (5) Year Forecast), or in the case of amendment or supplement to an appropriation measure, an amended spending plan setting forth a five (5) year projection of revenue and expenditures of the General, PBA, and any Debt Service related to the General Fund. A copy of the annual appropriation measure and any amendment or supplement to it and the spending plan or amended plan shall be submitted to the Director and shall set forth all revenues available for appropriation by the School during such year and their sources; the nature and amount of expenses to be incurred during the year; the outstanding and unpaid expenses on the date the measure, amendment, or supplement is adopted; the dates by which such expenses must be paid; and any other information the Director requires.

The plan or amended plan shall be presented in such detail and form as the Director prescribes.

R.C. 3313.15, 3316.031, 5705.13, 5705.29, 5705.36, 5705.38(B), 5705.391

R.C. 5705.41, 5705.412, 5705.45

## **SECTION 509 – APPROPRIATIONS IMPLEMENTATION**

The Board of Education places the responsibility of administering the appropriations, once adopted, with the Director. They may consult with the Treasurer when major purchases are considered and shall keep the Treasurer informed as to problems or concerns as the appropriations are being implemented.

The Director shall be authorized to proceed with making financial commitments, purchases, and other expenditures within limits provided in the appropriations, limitations stated in Board policies, and within legal authority expressed in State statutes.

Appropriate financial reports and budget comparison reports shall be submitted monthly to the Board to keep members informed as to the status of the appropriations and overall financial condition of the School.

If, during the fiscal year, it appears to the Treasurer that actual revenues are less than estimated revenues, including the available equity upon which the appropriations from the fund were based, the Director shall present to the Board recommended amendments to the General Appropriations



Act that will prevent expenditures from exceeding revenues unless a deficit spending plan is approved by the Board. Such recommendations shall be in accordance with requirements of the law and provisions of any negotiated agreements.

## **SECTION 510 – PURCHASES**

Staff members may request the purchase of supplies and materials provided the immediate supervisor or administrator approves the purchase and there are adequate funds in the budget to cover the cost. All staff member must abide by the following rules, regulations and procedures when making a purchase.

- Verbal approval by itself is never acceptable to make a purchase or place an order on behalf of the School. To insure School payment for any purchase, a requisition must first be completed and the signed by the Director and then sent to the Treasurer. The Treasurer will determine if there are adequate funds available in the budget for the transaction and will then issue a purchase order number if adequate funds are available. If the originator of the purchase does not secure the approval of the Treasurer prior to making the purchase, the originator may be responsible for all or partial payment of the purchase (at the discretion of the Treasurer).
- Upon receipt of the purchase (services, supplies and/or materials), the staff member who made the request will be responsible to verify that all items ordered have been received and are acceptable for use. If there are any problems with the items received, the staff member should contact the Treasurer for advice on how to resolve any concerns.
- If all items ordered were received and are acceptable for us, the responsible staff member will date, sign and write on the purchase order “OK to pay” and return it to the Treasurer for payment.

### **Treasurers Stamp**

The Treasurer’s signature stamp is to be kept locked in a separate location from any blank checks for the accounts that the treasurer has signing authority. It may only be accessed by the Financial Manager.

At any time it is used, the Staff Accountant, Financial and Staffing Administrator and Financial Business Manager should be notified by the Treasurer’s e-mail that Treasurer has approved its use.

The Treasurer’s signature stamp should only be used to process payments or documents that are considered urgent and when the Treasurer is physically not able to sign the document. When the Treasurer is not able to be contacted, the signature stamp should only be used with the approval of the Financial Manager.

### **Equipment Purchases**

Staff member requests for the purchase of equipment must be initiated through the School Director who will then follow the established procedures for such requested purchases.

### **Leases and Contracts**

All leases and contracts must be initiated by the School Director or Treasurer and approved by the Board of Education. No staff member, School administrator, consultant, parent or any other person has the authority to sign a lease or contract without prior Board approval.

### **Quotations and Bids**

It is the policy of the Board that the School's Administration seek bids on purchases of more than \$25,000 for a single item, except in cases of emergency or when the materials purchased are of such a nature that price negotiations would not result in a savings to the School or when the item is subject to formal bid.

The Director shall ensure that the specifications for any public improvement project for which bids are solicited do not require any bidder:

- A. To enter into agreements with labor organizations on said public improvement; or
- B. To enter into an agreement that requires its employees to become members of or pay fees or dues to a labor organization as a condition of employment or continued employment.

Bids shall be sealed and shall be opened by the Treasurer (or designee) in the presence of at least one (1) witness.

### **Soliciting of Bids**

The Board, by resolution, may award a bid to the lowest responsive and responsible bidder. For a bidder to be considered responsive, the proposal must respond to all bid specifications in all material respects and contain no irregularities or deviations from the bid specifications which would affect the amount of the bid or otherwise provide a competitive advantage. For a bidder to be deemed responsible, the Board may request evidence from the bidder concerning:

- A. The experience (type of product or service being purchased, etc.) of the bidder;
- B. The financial condition;
- C. The conduct and performance on previous contracts (with the School or other agencies);

- D. The bidder's facilities;
- E. Management skills;
- F. The ability to execute the contract properly.

- G. A signed affidavit ensuring that neither the bidder nor any sub-contractor has entered into an agreement with any labor organization regarding the public improvement project.

### **Contracts for Development and Improvement of Facilities**

All contemplated contracts for professional design services such as from an architect or for construction management shall be in accordance with R.C. 9.33, 9.333, and 153.54 et seq.

### **Lease-Purchase Agreements**

Lease-purchase agreements entered into by the Board shall be in accordance with R.C. 3313.375.

### **Requirements**

Before the Treasurer places a purchase order, s/he shall check as to whether the proposed purchase is subject to bid, whether sufficient funds exist in the budget, and whether the material might be available elsewhere in the School.

In the interests of economy, fairness, and efficiency in its business dealings, the Board requires that:

- A. Items commonly used in the various schools or units thereof, be standardized whenever consistency with educational goals can be maintained;
- B. Opportunity to be provided to as many responsible suppliers as possible to do business with the School. To this end, the Director shall develop and maintain lists of potential suppliers for various types of supplies, equipment, and services including membership in a purchasing cooperative;

- C. A prompt and courteous reception, insofar as conditions permit, be given to all who call on legitimate business matters.

The Board may acquire equipment as defined in law by lease, by installment payments, by entering into lease-purchase agreements, or by lease with an option to purchase, provided the contract sets forth the terms of such a purchase.

R.C. 9.25, 9.30, 9.31, 9.311, 9.312, 153.12, 153.54, 3313.37, 3313.375 3313.46

R.C. 4115.32 et. seq., 4116.02, 4116.03, 5705.41, 5705.45

### **SECTION 511 – PURCHASES NOT BUDGETED**

The laws of the state and the interests of the community demand fiscal responsibility by the Board of Education in the operation of the School. Appropriate fiscal controls are hereby adopted to insure that public moneys are not disbursed in amounts in excess of the appropriations provided the Board.

Other expenditures may be made by the Director or Treasurer following the Board's normal policy, provided a sufficient amount of cash is available in the School's cash reserve to cover the purchase.

### **SECTION 512 – FISCAL ACCOUNTING AND REPORTING**

The School'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 School.

The financial records must be adequate to:

- Serve as a guide to budget estimates for future years.
- Guide the making or deferring of purchases, the expansion or curtailing of programs and the controlling of expenses.
- Ensure that current data are immediately available and in such form that routine summaries can be readily made.
- 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 ending cash fund balances, receipts, disbursements, and budget-to-actual variances. The Treasurer makes all other financial reports required by law or by State agencies and submits them to the proper authorities.

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

Financial records are permanent; the supporting documents may be destroyed only in compliance with the provisions of Ohio law and in compliance with specifications of the School's records commission, the auditor of State and the Ohio Historical Society.

The Board authorized and directs the Treasurer to establish an account structure and related financial accounting procedures for cash basis accounting.

The account structure when used for cash basis accounting purposes should conform with the Uniform School Accounting System issued by the Auditor of the State of Ohio.

Financial accounting policies and procedures shall be developed by the Treasurer to support the cash basis accounting system.

All cash basis accounting procedures will be in writing and approved by the Treasurer.

### **SECTION 513 – PETTY CASH ACCOUNTS**

The Treasurer has the authorization to create petty cash accounts allowing certain administrators to have starting cash for school events where fees are charged and/or to make small purchases for the School. The Director designates the assigned administrator and the Treasurer provides the confirmation of the amount for each Petty Cash account and the procedures/requirements for replenishing the account.

Petty Cash Account Requirements:

1. All Petty Cash accounts must have an assigned administrator.
2. The safekeeping of the money will be the responsibility of the assigned administrator. This administrator must sign a Petty Cash Agreement (confirming their understanding of the Petty Cash requirements) prior to receiving any Petty Cash funds.
3. The Treasurer will disburse Petty Cash funds to the assigned administrator within two weeks after Director approval is confirmed.
4. All Petty Cash Fund disbursements made by the assigned administrator require a receipt. All disbursements made without a receipt will be the personal responsibility of the assigned administrator.
5. No major purchases may be made from the accounts.
6. The assigned administrator must use a tax exemption form for all purchases that may include a sales tax. The School District cannot reimburse for sales tax.
7. All transactions (money coming in and money going out) must be recorded on a written log and provided to the Treasurer upon request. The written log must be turned in to the Treasurer on or before June 30<sup>th</sup> of each fiscal year.
8. The assigned administrator will repay the full amount of the Petty Cash Fund to the Treasurer on or before June 30<sup>th</sup> of each fiscal year. Any losses during the school year for any reason (including loss or theft) are the personal responsibility of the assigned administrator.

The process to replenish the Petty Cash Fund will begin when the assigned administrator provides the receipts for purchases made from their Petty Cash Fund to the Director. (No purchase requisition is required.) If the Director approves, the Treasurer will then verify the accuracy of the receipts and the appropriate amount of reimbursement. A check for the approved amount will be processed during the next check run.

## **SECTION 514 – CASH IN SCHOOL BUILDINGS**

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

All moneys collected are receipted, accounted for and deposited to the next responsible person within 24 hours. When receiving paper or specie money, one person, the collector, will receive and count the money under the supervision of another person, the supervisor. After the receipt of all paper and specie money, the collector will count and total the moneys received; he/she will then verify that amount with the collector. In the event the Treasurer or person in charge of an activity is unable to deposit the money in 24 hours, the money will be accounted for and deposited in the safe. The money can be held no longer than three business days after receipt and the amount must be under \$1,000. If the amount is more than \$1,000, or the money cannot be adequately safeguarded, it must be deposited on the business day following the date of receipt.

In no case shall more than \$10 be left overnight in school buildings (excluding the petty cash account). The Treasurer provides for making bank deposits after regular banking hours in order to avoid leaving money in a school building overnight

Legal Ref.: ORC 9.38

## **SECTION 515 – USE OF CREDIT AND PURCHASING CARDS**

The Board of Education recognizes the values of an efficient method of payment and recordkeeping for certain expenses. The Board, therefore, authorizes the use of School credit and purchasing cards.

The Treasurer shall have the responsibility to specify those authorized to use credit and purchasing cards, the typed of expenses which can be paid by credit or purchasing card, and their proper supervision and use.

### **Administrative Guidelines**

Administrators and/or Board Members are required to complete a purchase order, payable to the bank issuing the School credit card, prior to using the credit card. The amount of the purchase order should reflect the estimated expenditures the administrator anticipates making using the School credit card. After the purchase order is approved by the Director and Treasurer, the Treasurer will make arrangements for the administrator to take possession of a School credit card and for returning the card to the Treasurer.

School credit cards may be used for the following purposes:

- Gratuities not to exceed twenty percent (20%), in situations where it is customary to tip.
- The meals of the individuals in attendance at lunch, breakfast, or dinner meeting of the Director when the purpose of the meeting is to discuss school business matters.

- School business travel, meeting, lodging and meals for an out-of- School meeting or seminar, subject to the reimbursement limits established by board policy.
- Miscellaneous supplies, materials and/or equipment when it is impractical to immediately process a physical check or the School is able to take advantage of short-term purchase discounts.
- School business travel, meeting, lodging, and meals of school employees traveling with the administrator subject to the reimbursement limits established by board policy.
- Business travel, meeting, lodging and meals of individuals actively being sought for employment in the School.
- Sales tax (if it is not possible to use a tax-exempt form).

### **Reimbursement of Business Related Expenses**

Upon returning from an approved business trip an employee or Board member shall submit all original 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 School due to a staff member failing to submit invoices and credit card receipts on a timely basis will be the responsibility of the staff member. Receipts for meals must include the names of all individuals for whom meals were provided, the purpose of the meeting and substance of the items discussed.

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

- Entertainment expenses, including pay-per-view movie charges.
- Alcoholic beverages or tobacco.
- The purchase of personal goods and services for an administrator, an administrator's spouse, children, or anyone employed or not employed by the School and attending a School business function.
- Payment of any fines, penalties or personal liabilities incurred by the administrator or anyone else.
- Fuel for use in a personal vehicle.
- Cash advances.

(Note: this list is not all-inclusive)

The use of a School credit card for personal expenses, such as meals, lodging and travel, of an administrator, an administrator's spouse, children, or anyone employed or not employed by the School and attending a School business function, is not permitted. Persons using a School credit card for personal, non-authorized purposes, or undocumented expenditures shall be held personally responsible for those expenditures. Abuse of the credit card is subject to disciplinary procedures, including termination.

The use of a School credit card does not supersede the required completion of a professional leave form when applicable. These procedures also dictate the reimbursement procedures of the School. The entire balance of the credit card will be paid each month to avoid the payment of any finance or service charges by the School.

The Director or Treasurer can revoke an administrator's credit card privileges at any time. The Board President may revoke a Board member's credit card privileges at any time.

## **SECTION 516 – COOPERATIVE PURCHASING**

The Board of Education 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 School through joint agreements for the purchase of supplies, equipment, or services with the governing body(ies) of other governmental units.

The Board authorizes the Director and/or 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.

Cooperative or joint purchases require an agreement approved by the Board and the participating contracting body(ies) which shall 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.

R.C. 125.04, 167.01 et seq., 3313.812

## **SECTION 517 – STAFF GIFTS**

Students and their Parents are discouraged from the routine presentation of gifts to school employees on occasions such as religious holidays. Where a Student feels a spontaneous desire to present a gift to a staff member, the gift should not be elaborate or unduly expensive. The Board considers as always welcome, and in most circumstances more appropriate, the writing of letters to staff members, expressing gratitude or appreciation.

## **SECTION 518 – VENDOR RELATIONS**

The Board of Education shall not enter a contract knowingly with any supplier of goods or services to this School under which any Board member or officer, employee, or agent of this School has any pecuniary or beneficial interest, direct or indirect, unless the person has not solicited the contract or participated in the negotiations leading up to the contract. This prohibition shall not prevent any person from receiving royalties upon the sale of any educational material of which s/he is the author and which has been properly approved for use in the schools of this School.

Board members and school personnel shall not accept any form of compensation from vendors that might influence their recommendations on the eventual purchase of equipment, supplies, or services. Furthermore, Board members and school personnel shall not accept any compensation from a vendor after a decision has been made to purchase equipment, supplies, or services from said vendor. In addition, Board members or school personnel who recommend purchases shall not enter into a contractual arrangement with a vendor seeking to do business with the School, or a vendor with whom the School is doing business, whereby an individual board member or member of the school staff receives compensation in any form for services rendered.



Such compensation includes, but is not limited to, cash, checks, stocks, or any other form of securities, and gifts such as televisions, microwave ovens, computers, discount certificates, travel vouchers, tickets, passes, and other such things of value. In the event that a Board member or member of the school staff receives such compensation, albeit unsolicited, from a vendor, the Board member or school staff member shall notify the Treasurer, in writing, that s/he received such compensation and shall thereafter promptly transmit said compensation to the Treasurer at his/her earliest opportunity.

All sales persons, regardless of product, shall clear with the Director's office before contacting any teachers, students, or other personnel of the School. Purchasing personnel shall not show any favoritism to any vendor. Each order shall be placed in accordance with policies of the Board on the basis of quality, price, and delivery with past service a factor if all other considerations are equal.

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#### **SECTION 519 – PAYMENT OF CLAIMS**

The Board of Education authorizes the prompt payment of legitimate claims by suppliers of goods and services to the School.

Each bill or obligation of this Board must be fully itemized and verified before a voucher can be drawn for its payment.

When an invoice is received, the Treasurer shall verify that a voucher is properly submitted and that the amount of the invoice is correct.

The originator of the purchase order shall verify that acceptable goods were received or satisfactory services were rendered and the date of receipt.

R.C. 9.11 et seq., 153.13  
A.C. 117-2-17

#### **SECTION 520 – PAYROLL AUTHORIZATION**

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

Employment of all School personnel whether by the year, term, month, week, day, or hour in contract, temporary, or substitute form must be approved by the Board except where authority to appoint certain personnel of the School has been delegated to the Director.

R.C. 9.40, 3319.36

## **SECTION 521 – PAYROLL DEDUCTIONS**

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

- A. Federal and State income tax
- B. Social Security or retirement contribution
- C. Municipal income tax
- D. School Employees Retirement System
- E. State Teachers Retirement System
- F. Contributions to the United Way
- G. Payment of dues to labor organizations
- H. Payment of group health insurance premiums.

The Board of Education declares its willingness to enter into an agreement with any of its employees whereby the employee agrees to take a reduction in salary with respect to amounts earned after the effective date of such agreement in return for the Board's agreement to use a corresponding amount to purchase an annuity for such employee (or group of employees desiring the same annuity company) from any company authorized to transact the business as specified in law in accordance with Section 403(b) of the Internal Revenue Code, and in accordance with the School's administrative guidelines. However, it shall be clearly understood that the Board's only function shall be the deduction and remittance of employee funds.

Said agreement shall comply with all of the provisions of law and may be terminated as said law provides upon notice in writing by either party. Employees shall contact the Treasurer's Office in writing if they wish to participate in such a program.

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

their current Salary Reduction Agreement or make arrangements for payments directly to their 403B provider to avoid any over payments by the School.

## **SECTION 522 – FIXED/CAPITAL ASSET POLICY**

The Board of Education, as a steward of the School's property, recognizes that efficient management and full replacement upon loss of assets requires accurate inventory and properly maintained property records.

The School shall conduct a complete inventory every two years, by physical count, of all School-owned equipment and supplies. For the 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 School 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, by floor and room name or number; each item to be listed individually. (Leased equipment that the School will eventually own must be inventoried.)

Moveable 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 (per individual item) or more and with an estimated useful life of three years or more is tagged and made part of the equipment inventory.

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

Any equipment purchased with Federal Funds shall be tagged as such.

A computer-generated listing of all equipment is supplied to each building (if more than one). 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.

Fixed assets shall be classified with useful lives as follows:

- Land 10 years
- Buildings and improvements 25 years
- Leasehold Improvements Remaining Term of Lease (NTE 5 years)
- Furniture and equipment 5 years
- Technology equipment 3 years
- Vehicles 7 years

Leased fixed assets and assets which are jointly-owned shall be identified and recorded on the fixed-asset system. Fixed assets shall be recorded at actual, or if not determinable, estimated purchase price or fair market value at the time of acquisition. The methods(s) to be used to estimate such price or market value shall be established by the Treasurer.

Depreciation shall be recorded for funded fixed assets using the straight-line depreciation method which conforms to generally accepted accounting principles.

The Treasurer is assisted by the director, business manager, principal(s), office manager, and all other School staff in the performance of this function.

### **SECTION 523 – STUDENT ACTIVITY FUND**

It is the purpose of this policy to establish financial controls for the administration of the normal, legitimate activities of the student body organization.

For purposes of this policy, a "student activity fund" may include, but not be limited to co-curricular and approved extra-curricular activities such as clubs, publications, etc.

Each activity covered by this policy must be recognized by the Board of Education before monies can be collected or disbursed in the name of said activity. Any and all proposed expenditures from a student activity fund must be approved by the Director or their designee prior to disbursement and must serve a valid and proper public purpose.

The Director is directed to obtain a list of student activities with a brief description of their objectives, activities, and limitations of each fund.

The Board authorizes the Treasurer to act on its behalf to review and approve each expenditure from a student activity fund prior to disbursement. In approving an expenditure, the Treasurer shall ensure that it is related to achieving one (1) or more of the stated purposes for which the student activity has been organized and will serve a valid and proper public purpose.

Expenditures shall not be approved if it accrues to the personal benefit of a member of the staff or a member of the student group. Monies are not to be disbursed to a school class or group for any activity or event that will occur after the students have graduated.

The Director shall implement administrative guidelines which will ensure that all student activity funds are managed, recorded, and deposited in accordance with law and sound fiscal practice.

R.C. 9.39, 3313.47, 3313.51, 3313.53, 3315.01, 3315.062

R.C. 3315.12, 3315.14, 3317.024, 5705.41, 5705.412

A.C. 117-2-18, 117-2-20

#### **SECTION 524 – DISASTER RECOVERY PLAN (COMPUTER SYSTEM)**

Upon the occurrence of a computer system disaster situation at the School, the Director would be contacted and procedures would be implemented after the School's technology support person(s) assessed the extent of the disaster.

In order to protect the financial data of the School during a computer system disaster, the Treasurer will utilize the MEC A-Site (or comparable system) for ongoing posting of receipts and disbursements. In the event of a School computer system disaster, the Treasurer will access the data (either in person or over the net) to assure the uninterrupted fiscal operations of the School.

#### **SECTION 525 – COMPENSATION POLICY**

Introduction: The purpose of this policy is to provide guidance to the process of setting and maintaining compensation levels for School personnel. While the policy does not prescribe specific steps, it establishes broad definitions of practice within which compensation at all levels should be governed.

Policy: All compensation paid by the School shall reflect the overall qualifications of the employee, and shall be reasonably based upon the levels of compensation paid by other employers in the local market for similar work and skill levels. While we need not match a specific level or form of compensation, it is our commitment that compensation paid by this School fairly reflects the skills, experience, training and education of its employees in a way that is within the scope that other employers actually pay to similarly skilled, trained and educated people for similar job demands.

Standard Requirements:

1. The President, or his designee, with the assistance of the EMO shall establish all compensation types and amounts for all employees of the School, including all policies and practices which he might deem necessary to carry out the appropriate and timely compensation of employees. In addition to cash compensation, the President or his designee may but need not include one or more types of deferred compensation or employee benefits that are usual and customary to similar educational institutions.
2. The President or his designee, with the assistance of the EMO, shall periodically, but not less than once every five years, gather information from independent sources that describe compensation

levels of at least five (5) persons that are employed in a position substantially similar to each employee of the School, each employed by a different employer within the local geographic area. This comparative compensation information shall be reported in writing (the "Comparative Compensation Report") to the Board of Trustees, and a copy shall be maintained as part of the permanent records of the School.

3. The Board of Trustees, as well as any designee it may assign, shall review this Comparative Compensation Report within 90 days following its delivery by the President, and shall by itself or with the assistance of a designee review the appropriateness of the compensation level of each employee of the School based upon the comparative compensation levels described in the Report.
4. For purposes of this policy, the Board of Trustees, or its designee, may but need not adjust the compensation level of any employee based upon the review of compensation against the Report, except that in the event that any employee of School is receiving a total compensation level that exceeds the highest comparative compensation in the Report by more than 50%, the Board of Trustees, by itself or with the assistance of a designee, may cause appropriate corrective action to be taken. Forms of corrective action may but need not include required continuing education/training or expansion of responsibilities and duties to that commensurate with the existing compensation level or reduction of compensation to an appropriate level.
5. In determining the appropriateness of compensation for any employee, the Board of Trustees, or its designee, shall consider all relevant factors involving the qualifications, duties, and accomplishments of the employee in contrast with the same criteria, if known, underlying the comparative compensation report. Such criteria may include such factors as professionalism, length of experience, quality of experience, tenure of employment, quality of skills, capability of replacement by the School, available opportunity of the employee for other employment, competitive employment factors in the marketplace, combination of skills possessed by the employee, efficiency of other offsetting costs posed by the employee, and effectiveness of the employee, and other similar considerations. The nature of the considerations evaluated by the Board or its designee may but need not be uniform for all employees and positions.
6. The President or his designee, with the assistance of the EMO, shall determine the appropriate requirements of education and experience, as well as any other qualifications for acceptable candidates for each teacher/instructor position at the School. These requirements shall include at least any applicable minimum standards established by the Ohio Department of Education, as well as any applicable minimum standards established by the United States Department of Education, or other relevant state or federal agency having competent jurisdiction. These requirements may but need not specify particular level of education, demonstration of competency, course of academic study, or nature of experience or professional accomplishment, so long as the application of the standards does not create an unlawfully discriminatory effect.
7. Nothing in this Policy shall be construed as requiring any particular level of compensation, or mandating any matching characteristics to compensation of others outside the School. To the extent that comparative compensation information includes that of employees that are represented by an organized labor union, such information may but need not be used for purposes of comparison, and if used such use will not create any requirement on the part of the school to adopt such comparative compensation as a standard.
8. The President or his designee, with the assistance of the EMO and any other qualified professionals, shall establish appropriate compensation practices which prudently protect the interests of the School and which provide for the orderly and appropriate compensation of employees, including any proper form of cash compensation, deferred compensation, and employee benefits to the extent that he shall deem appropriate. To the extent that the School determines to provide or make

available benefits or other non-cash compensation to its employees, these forms of compensation shall be considered in the evaluation and use of comparative compensation data described in Paragraphs 2 through 5 of this Policy.

9. All cash compensation paid by the School shall be remitted by the EMO or its designated qualified paymaster. No cash compensation may be remitted in any other form.
10. In connection with remitting cash compensation to any employee of the School, the EMP or the designated paymaster shall withhold, properly segregate and timely remit to the respective governing authorities all applicable federal, state and local payroll taxes. The President, or his designee shall provide to the Trustees a written report within thirty (30) days following the close of each fiscal quarter which demonstrates the actions required by this Paragraph 10.
11. Subject to action to the contrary by this Board of Trustees, the President is hereby authorized to take all appropriate steps that he deems reasonably necessary to implement the terms and intent of this Policy, including the implementation of practices which are harmonious with but not specifically described herein.
12. To the extent that the President, by himself or through one or more designees, acts pursuant to Paragraph 10 of this Policy, he shall report in writing to the Board of Trustees within thirty (30) following such action with a description of the action taken and the intended duration of the action.
13. All actions taken by the President or any designee concerning the implementation of this Policy as it concerns any individual employee shall constitute confidential information and be subject to the policies of the School governing the handling of and access to confidential information by persons other than President, his designee, or the Trustees of the School.
14. This Compensation Policy shall become effective as of its adoption, and shall remain in effect until such time that it is amended or repealed by the Trustees.

Special Requirements: None

#### **SECTION 526 – PUBLIC RECORDS REQUEST POLICY**

The School shall respond to all Public Records Requests as required by the Ohio Revised Code and the sum of ten cents (\$.10) per page shall be charged to all persons or entities requesting records.

School records shall not be copied for persons or entities with outstanding balances for copies of records previously requested from this or another public body.

Persons or entities requesting records shall pay for them before they are mailed, or pay for them at the time they are picked up. However, no requests will be filled without prior payment being received.

#### **SECTION 527 – CONFLICT OF INTEREST POLICY**

The School and its employees and agents shall abide by the terms, conditions, and provisions of the **Conflict of Interest Policy**.

#### **SECTION 528 – AUDIT/FINANCE COMMITTEE**

##### **General Purpose**

Report to the Board of Education and assume the responsibility for advising it on financial and audit matters pertaining to the operation of the School.

## **Appointments and Composition**

1. Members of the Audit/Finance Committee shall be appointed annually by the President of the Board.
2. The Chair and members shall be members of the Board of Education.

### **Responsibilities**

1. To review financial statements and the process used to prepare interim financial information submitted to the Board.
2. To work with the Management Company in the preparation of the annual budget.
3. To review audit results.
4. To assure that audit recommendations are appropriately addressed.
5. To review all non-budgeted expenditures over a set dollar amount to be determined by the Board.

### **Meetings**

1. A meeting of the Audit/Finance Committee may be held upon the call of the chair of the Audit/Finance Committee by written notice (which may be delivered by facsimile or electronic mail).
2. Unless notice is waived in a signed statement by the Board member, written notice must be given to all of the members of the Audit/Finance Committee not less than forty-eight (48) hours before the time set for the meeting.
3. Attendance at any meeting by the members of the Committee will constitute a waiver of notice.
4. The notice of meeting shall specify the time, place and purposes of the meeting.
5. Members shall be permitted to participate in any meeting of such Committee by telephone or by any other means of communication as long as everyone can hear one another.

## **SECTION 529 – SOLICIATION OF FUNDS**

### **General Purpose**

Any request from civic institutions, charitable organizations, or special interest groups which involve such activities as patriotic functions, contests, exhibits, sales of products to and by students, sending promotional materials home with students, graduation prizes, fund raising, and free teaching materials must be carefully reviewed to ensure that such activities promote student interests without advancing the special interests of any particular group.

It is the policy of the Board of Education that students, staff members, and District facilities not be used for advertising or promoting the interests of any nonschool agency or organization, public or private, without the approval of the board or its delegated representative” and any such approval, granted for whatever cause or group, shall not be construed as an endorsement of said cause or group by this Board.

### **Responsibilities**

Any staff member or outside organization desiring to solicit funds on school property must receive permission to do so from the Director. Permission to solicit funds will be granted only to those organization or individuals who meet the permission criteria established by the Director and Treasurer. Solicitation must take place at such times and places and in such a manner as specified



in the administrative guidelines provided by the Director and Treasurer. No student may participate in the solicitation of funds without Director's and Treasurer's approval.

1. The Board disclaims all responsibility for the protection of, or accounting for, such funds.
2. Solicited funds are not to be deposited in any regular or special accounts of the District unless approved by the Director or Treasurer.
3. A copy of this policy as well as the relevant administrative guidelines (see following page of this policy manual) shall be given to any individual granted permission to solicit funds on District property.