

SECTION D: FISCAL MANAGEMENT

Section D of the EPS/NSBA policy classification system is a repository for statements concerning District Fiscal Affairs and the management of District Funds. Statements relating to the financing of school construction, however, are filed in the F (Facilities Development) section.

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FISCAL MANAGEMENT GOALS

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

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

As trustees of the community's investment in plant, facilities and operational funds, the Board has a 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 will 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 and equipment through prudent and economical operation, maintenance and insurance.

The Board seeks to achieve the following goals:

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

[Adoption Date: 5/28/96]

APPROPRIATIONS MEASURE

Appropriations

As permitted by law, no later than July 1, the Governing Board may pass a temporary appropriation measure to provide for meeting the ordinary expenses of the Educational Service Center until such time as the Board approves the annual appropriation resolution for the year, which will be no later than October 1. The Governing Board's legal level of appropriation control will be by fund level; General, Special Revenue, Capital Projects, Internal Service, and Expendable Trust.

The Treasurer or his designee will notify each department head of the allocations approved for expenditure.

[Adoption Date: 5/28/96]

[Amended Date: 12/21/04]

[Amended Date: 5/23/06]

LEGAL REFS.: ORC 9.34
3311.40
5705.28; 5705.29; 5705.35 -5705.412

BUDGET MODIFICATION AUTHORITY

Modification of funds between line item appropriations within each major fund does not require board approval.

Transfers Among Categories

During the final quarter of the fiscal year, appropriation categories will be examined, and the year-end status of each will be estimated. Before the close of the fiscal year, the Governing Board may authorize the Treasurer to transfer moneys from those categories in which a surplus is anticipated into those in which a deficit is anticipated as permitted by State or Federal statute.

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

It will be the responsibility of the Superintendent and the Treasurer to examine the appropriation categories and make the necessary recommendations to the Board.

[Adoption Date: 5/28/96]

[Amended Date:12/22/2020]

LEGAL REFS.: ORC 5705.14; 5705.15; 5705.16; 5705.40

FUNDING PROPOSALS AND APPLICATIONS

The Governing Board will consider whether to apply for any federal aid for which it is eligible. It charges the administrative staff with the responsibility to evaluate Federally funded programs, including their possible benefits to the students in the school District; apprise the Board of the worth of each and make recommendations accordingly.

The Educational Service Center will participate to its limit of eligibility in the use of funds provided by the State of Ohio for the educational benefit of its students.

[Adoption Date: 5/28/96]

REVENUES FROM TAX SOURCES

In an attempt to provide the best education possible within the financial resources available, the Governing Board will:

1. accept available State funds to which the Educational Service Center is entitled by law or through regulations of the State Board of Education and
2. accept federal funds which are available, provided that there is a specific need for them and that the required matching funds are available.

[Adoption Date: 5/28/96]

LEGAL REFS.: ORC 319.301
3301.07
3311.21
3313.02-3313.91
3317.01-3317.11
3323.09
Chapters 5701; 5705; 5727
5747.01
5748.01-5748.06
Ohio Const. art. XII § 2

ADMINISTRATION OF FEDERAL GRANT FUNDS

The Governing Board accepts federal funds, which are available, provided that there is a specific need for them and that the required matching funds are available. The Governing Board intends to administer federal grant awards efficiently, effectively and in compliance with all requirements imposed by law, the awarding agency and the Ohio Department of Education (ODE) or other applicable pass-through entity.

The Governing Board directs the Treasurer to develop, monitor, and enforce effective financial management systems and other internal controls over federal awards that provide reasonable assurances that the Wood County ESC is managing the awards in compliance with all requirements for federal grants and awards. Systems and controls must meet all requirements of Federal law and regulation, including the Uniform Guidance issued by the U.S. Office of Management and Budget (OMB) and any applicable state requirements, and shall be based on best practices.

All individuals responsible for the administration of a federal grant or award shall be provided sufficient training to carry out their duties in accordance with all applicable requirements for the federal grant or award.

The financial management systems and internal controls must provide for:

1. identification of all federal funds received and expended and their program source;
2. accurate, current, and complete disclosure of financial data in accordance with federal requirements;
3. records sufficient to track the receipt and use of funds;
4. effective control and accountability over assets to assure they are used only for authorized purposes and
5. comparison of expenditures against budget.

In addition, written procedures must be established for cash management and for determining the allowability of costs, as required by the Uniform Guidance.

At a minimum the financial management systems and internal controls will address the following areas:

1. Allowability
Costs charged by the school system to a federal grant must be allowed under the individual program and be in accordance with the cost principles established in the Uniform Guidance, including how charges made to the grant for personnel are to be determined. Costs will be charged to a federal grant only when the cost is:
 - A. reasonable and necessary for the program;
 - B. in compliance with applicable laws, regulations, and grant terms;
 - C. allocable to the grant;
 - D. adequately documented and
 - E. consistent with ESC policies and procedures that apply to both federally-funded and non-federally funded activities.

Internal controls will be sufficient to provide reasonable assurance that charges to federal awards for personnel expenses are accurate, allowable, and properly allocated and documented.

1. Controls include time and effort reporting in accordance with Uniform Guidance and the requirements of ODE or other applicable pass-through-entity. Records are sufficient to verify that time spent and compensation (including salary and benefits) are allocable to the fund.
2. Cash Management and Fund Control
Payment methods must be established in writing that minimize the time elapsed between the draw-down of federal funds and the disbursement of those funds. Standards for funds control and accountability must be met as required by the Uniform Guidance for advance payments and in accordance with the requirements of ODE or other applicable pass-through-entity.
3. Procurement
Prior to July 1, 2018, the Wood County ESC followed the requirements outlined in previous OMB guidance. Effective July 1, 2018 all purchases for property and services made using federal funds must be conducted in accordance with all applicable Federal, State and local laws and regulations, the Uniform Guidance, and the Wood County ESC's written policies and procedures.

The ESC avoids situations that unnecessarily restrict competition and avoids acquisition of unnecessary or duplicative items. Individuals or organizations that develop or draft specifications, requirements, statements of work, and/or invitations for bids, requests for proposals, or invitations to negotiate, are excluded from competing for such purchases. The ESC performs a cost and price analysis for every procurement over the established small purchase threshold of \$10,000 to \$50,000.

Contracts are awarded only to responsible contractors possessing the ability to perform successfully under the terms and conditions of a proposed procurement. Consideration is given to such matters as contractor integrity, compliance with public policy, record of past performances, and financial and technical resources. No contract is awarded to a contractor who is suspended or debarred from eligibility for participation in federal assistance programs or activities.

The ESC takes all necessary affirmative steps to assure that minority businesses, women's business enterprises, and labor surplus area firms are used when possible. The affirmative steps taken include:

- A. placing qualified small and minority businesses and women's business enterprises on solicitation lists;
- B. ensuring that small and minority businesses and women's business enterprises are solicited whenever they are potential sources;
- C. dividing total requirements, when economically feasible, into smaller tasks or quantities to permit maximum participation by small and minority businesses and women's business enterprises;

- D. establishing delivery schedules, where the requirement permits, that encourage participation by small and minority businesses and women's business enterprises;
- E. using the services and assistance, as appropriate, of organizations such as the Small Business Administration and the Minority Business Development Agency of the U.S. Department of Commerce;
- F. requiring the prime contractor, if subcontracts are to be let, to take the affirmative steps listed above.

The ESC also complies with all Buy American provisions if where applicable.

Purchasing records are sufficiently maintained to detail the history of all procurements and must include at least the rationale for the method of procurement, selection of contract type, and contractor selection or rejection; the basis for the contract price; and verification that the contractor is not suspended or debarred.

4. Conflict of Interest and Mandatory Disclosures

The Wood County ESC complies with the requirements of State law and the Uniform Guidance for conflicts of interest and mandatory disclosures for all procurements with federal funds.

Each employee, board member, or agent of the school system who is engaged in the selection, award, or administration of a contract supported by a federal grant or award and who has a potential conflict of interest must disclose that conflict in writing to the Treasurer. The Treasurer discloses in writing any potential conflict of interest to ODE or other applicable pass-through-entity.

A conflict of interest would arise when the covered individual, any member of his/her immediate family, his/her partner, or an organization, which employs or is about to employ any of those parties has a financial or other interest in or receives a tangible personal benefit from a firm considered for a contract. A covered individual who is required to disclose a conflict will not participate in the selection, award, or administration of a contract supported by a federal grant or award.

Employees, Board members, or agents of the ESC will not solicit or accept any gratuities, favors, or items from a contractor or a party to a subcontractor for a federal grant or award. Violations of this rule are subject to disciplinary action.

The Treasurer discloses in writing to ODE or other applicable pass-through-entity in a timely manner all violations of federal criminal law involving fraud, bribery, or gratuities potentially affecting any federal award. The Treasurer fully addresses any such violations promptly and notifies the Board accordingly.

5. **Equipment and Supplies Purchased with Federal Funds**
Equipment and supplies acquired with federal funds will be used, managed, and disposed of in accordance with applicable state and federal requirements. Property records and inventory systems shall be sufficiently maintained to account for and track equipment that has been acquired with federal funds.
6. **Accountability and Certifications**
All fiscal transactions must be approved by the Treasurer/designee who can attest that the expenditure is allowable and approved under the federal program. The Treasurer submits all required certifications.
7. **Monitoring and Reporting Performance**
The Treasurer will establish sufficient oversight of the operations of federally supported activities to assure compliance with applicable federal requirements and to ensure that program objectives established by the awarding agency are being achieved. The Wood County ESC submits all reports as required by federal or state authorities.

[Adoption date: 6/28/16]

[Amended Date: 7/25/17]

[Amended Date: 3/27/18]

[Amended Date: 11/27/18]

[Amended Date: 4/16/19]

[Amended Date: 11/23/2021]

LEGAL REFS.: ORC 9.314
117.101; 117.43
3313.33; 3313.46
3319.04
5705.39; 5705.41; 5705.412
2 C.F.R. Part 200

CROSS REFS.: BBFA, Board Member Conflict of Interest
BCC, Qualifications and Duties of the Treasurer
DI, Fiscal Accounting and Reporting
DID, Inventories (Fixed Assets)
DJ, Purchasing
DJC, Bidding Requirements
DJF, Purchasing Procedures
DK, Payment Procedures
EF/EFB, Food Services Management/Free and Reduced-Price Food Services
GBCA, Staff Conflict of Interest
IGBJ – Title I Programs

REVENUES FROM INVESTMENTS

Scope

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

Objectives and Guidelines

The following investment objectives are applied in the management of the Educational Service Center's funds:

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

Authorized Financial Institutions and Dealers

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

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

Maturity

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

Derivatives

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

Allowable Investments

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

Collateral

All deposits are collateralized pursuant to State law.

Reporting

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

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

Internal Controls

The 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 Educational Service Center.

[Adoption Date: 10/14/2014]

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

EXHIBIT A

FINANCIAL INSTITUTION/BROKER/DEALER CERTIFICATION

I hereby certify that I have read and understand the investment policy of the Wood County Educational Service Center. I also certify that I am familiar with the Sections of the Ohio Revised Code which govern the depository and investment activities of political subdivisions. Transactions between this firm and the Wood County Educational Service Center will be directed towards meeting the standards of the aforementioned. All sales personnel of this firm dealing with the Wood County Educational Service Center's account have been informed of this certification and the requirements contained herein.

This firm pledges due diligence in informing the Wood County Educational Service Center of foreseeable risks associated with all financial transactions connected to this firm.

This firm also agrees to mail timely financial statements to the Wood County Educational Service Center each calendar quarter. Immediate notice of any publicly circulated financial release with regard to earnings or rating changes will also be sent to the Wood County Educational Service Center within three business days of release.

Firm: _____

Signature: _____

Name: _____

Title: _____

Address: _____

Phone: _____

Fax: _____

Date: _____

AUTHORIZED SIGNATURES
(Use of Facsimile Signatures)

The Treasurer authorizes designated depositories to honor any instrument bearing an authorized 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. Written notice of the adoption of a facsimile signature is provided to the depositories. The notice includes a description of the device to be used and a sample of the facsimile signature. Written approval must be received from the depository before the facsimile signature can be used.

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

[Adoption date: 7/19/05]

[Amended Date: 2/26/19]

LEGAL REFS.: ORC 9.10 through 9.12; 9.14
1306.06

BONDED EMPLOYEES AND OFFICERS

The Board authorizes the use of an employee dishonesty policy in a coverage amount determined and approved by the Board in lieu of a Treasurer's surety bond. This policy must be in place at the time of appointment or reappointment of the Treasurer.

The Superintendent, Board President and employees who handle school funds are included, at Board expense, in a position schedule bond or under the Educational Service Center liability insurance policy. The Educational Service Center also provides for appropriate bonding or insurance for non-employees collecting money on behalf of the Educational Service Center.

[Adoption Date: 5/28/96]

[Amended Date: 12/22/2020]

LEGAL REFS.: ORC 3.06
3.061
131.18
3313.25; 3313.83
3319.05
5705.412

CROSS REFS.: DM, Deposit of Public Funds
EI, Insurance Management

FISCAL ACCOUNTING AND REPORTING

The Educational Service Center's accounting system will be in conformance with the Uniform School Accounting System as prescribed by the Auditor of State for the use of school Districts. Federal funds also are accounted for in conformance with the Uniform Guidance issued by the U.S. Office of Management and Budget (OMB) and any applicable state requirements. The Treasurer will be responsible for receiving and properly accounting for all funds of the Educational Service Center.

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 Governing Board policy.

The Governing Board receives monthly financial statements from the Treasurer which shows receipts, disbursements, appropriations, encumbrances, and balances. The Treasurer makes all other financial reports required by law or by State or federal agencies and submits them to the proper authorities.

The Treasurer provides the Governing Board with any other financial reports that the Governing 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 Educational Service Center's records commission, the Auditor of State and the Ohio Historical Connection.

[Adoption Date: 5/28/96]

[Amended Date: 2/25/14]

[Amended Date: 7/25/17]

[Amended Date: 3/27/18]

LEGAL REFS.: ORC 117.101; 117.38; 117.43
149.01 through 149.43
3301.07
3313.29; 3313.32
3315.04
Chapter 1347
Chapter 5705
2 C.F.R. Part 200

CROSS REFS: DECA, Administration of Federal Grant Funds
EHA, Data and Records Retention

INVENTORIES (Fixed Assets)

Introduction

The Board, as steward of the Wood County Educational Service Center's property, recognizes that efficient management and full replacement upon loss requires accurate inventory and properly maintained property records.

The Educational Service Center conducts a complete inventory every five years, by physical count, of all ESC's 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 that retain shape and appearance with use is nonexpendable and does not lose its identity when incorporated into a more complex unit.

Wood County Educational Service Center shall maintain a fixed asset accounting system. This fixed asset system shall maintain sufficient information to permit the following:

1. The preparation of year-end financial statements in accordance with generally accepted accounting principles (GAAP).
2. Adequate insurance coverage.
3. Control and accountability.

For purpose of items purchased with federal funds, equipment is defined as tangible, nonexpendable personal property having a useful life of more than one year with an acquisition cost of \$5,000 or more per unit.

It is the purpose of this procedure to implement a comprehensive inventory system for all items owned by the Educational Service Center with an original value greater than \$1000. Individual treatment should be given to all assets whenever feasible and practical. Consideration will be given to grouping assets in situations where the asset cost or value individually does not meet capitalization criteria but does so when grouped and/or in cases where the assets are not intended to be dislocated or used individually.

Responsibilities

The fixed asset manager, namely the Treasurer is responsible for the development and maintenance of the fixed asset accounting system. The manager shall develop procedures to insure compliance with all fixed asset policies. To insure control of entity property, other individuals may be assigned fixed asset responsibilities and be designated to work with the manager.

Definition of Fixed Assets

The Wood County Educational Service Center defines a fixed asset as tangible property, obtained or controlled as a result of past transactions, events or circumstances, which is to be used in a productive capacity by the district and which will benefit the district for a period of more than one year.

To qualify as a “capitalized asset” in the district’s fixed asset system, the following criteria must be met:

1. The asset must have a cost or dollar value of \$1000 or more, individually or in aggregate.
2. The asset must have a useful life exceeding one year based on reasonable estimates.
3. The asset must be land, building, building improvement, other improvements, or be of a tangible nature (possesses physical substance).
4. The asset must not lose its identity as part of a larger unit.
5. The asset must not be a repair part or supply item.

The district has determined that assets having a value under \$1000, regardless of their useful life, will not be capitalized. As such, these assets will not be used for financial reporting purposes. The fixed asset manager may identify “controlled assets” that, although they do not meet all fixed asset criteria, are to be recorded on the fixed asset system to maintain control.

Classification of Fixed Assets

The district conforms with Governmental Accounting Standards Board (GASB) guidelines in classifying fixed assets in either the General Fixed Asset Account Group or within individual proprietary funds. Fixed assets purchased from or acquired to benefit general, special revenue, or capital project funds are accounted for in the General Fixed Asset Account Group. The General Fixed Asset Account Group is only an accounting entity, not a fiscal entity (therefore, not a fund). It records no current assets or liabilities of any kind. Further, it is concerned only with the source and application of funds used for capital acquisitions. Conversely, fixed assets purchased from proprietary funds are considered fund assets and are accounted for in those individual proprietary funds.

Fixed Asset Valuation

Generally, fixed assets are valued at historical cost or, if that amount is not practicably determinable, at estimated historical cost. The method(s) to be used to estimate historical cost shall be established by the fixed asset manager, but in most cases will be the estimated historical cost provided by an appraisal company.

Donated fixed assets are valued at their estimated fair market value on the date the gift is received.

Asset Type Descriptions

Land - Land is real property which generally includes both surface and content of the land. Land costs include not only the original contract price, but also such related costs as interest, claims, or liens assumed, legal, title, or other fees, surveying, filing, grading, drainage and other cost of preparation for the use intended. Salvage receipts on demolition of an old building or a similar circumstance reduce the cost of the land or increase the cost if the cost of demolition exceeds any value received. Land acquired through forfeiture is capitalized at the total amount of all tax liens and other claims surrendered (such as cost of acquiring ownership and perfecting title). Land acquired through donation is valued at the appraised fair market value at the date of acquisition. The cost of the appraisal itself should not be capitalized.

Buildings - Buildings consist of structures erected above or below the ground for the purpose of sheltering persons or property, including modular units. They are designed with a foundation and roof and may or may not have a full enclosure. Building costs include construction and purchase cost, contract price, fees, claims, interest and related costs during construction and the cost of all fixtures permanently attached and payments, in-house labor costs, attorney fees, insurance during construction, architectural fees and the like.

Building records should include a quantitative and qualitative description of each structure, segregating where possible and practical, basic building construction from heating, ventilating, air conditioning, roof, elevators, plumbing, lighting, floor and ceiling covers, etc. These assets may be replaced several times during the life of the building shell and therefore, have a shorter useful life estimate. Segregation of these costs ease relieving the building account, when these assets are retired to avoid pyramiding costs.

Building Improvements - Building improvements consist of additions, improvements, and replacements made to existing buildings. Building improvements increase the service potential of a building, they expand area, increase safety, improve climate control or improve mobility within the building. A building improvement must have significant impact and be of a material amount, \$15,000 or more per improvement, in order to be capitalized. For this reason, carpeting, partitions, installation of and/or renovations of an interior wall structure will generally be expensed. Building improvement costs include construction cost, contractor payments, purchase price, contract price, fees, claims, interest, and other costs required to place the improvement in its finished state. Building improvements are capitalized and depreciated separately from buildings.

Improvements Other than Buildings - This group includes all improvements outside a building or improvements to a parcel of land with a cost in excess of \$15,000 per improvement including purchase price, contract price, fees, claims, interest, and related costs during construction. Land improvements consist of land attachments with limited lives, including private driveways, walls, fences, parking lots and the like. These are recorded separately from land so they can be depreciated over their useful lives, if they are relative to proprietary funds. Other improvements in this category include park developments, playground equipment, miscellaneous structures (such as sheds, sign posts, bleachers) area lighting, etc.

Furniture, Fixtures and Equipment - Furniture, fixtures and equipment are defined as personal property that are not attached to land, buildings or improvements and remains moveable. Included in this category are typewriters, computers, desks, chairs, and audio visual equipment. Costs associated with direct purchase include shipping cost, assembling fees, related site preparation, and installation charges unless these are nominal.

Equipment under Capital Lease - This should be considered separately or as a special component of furniture, fixtures and equipment.

In accordance with FASB #13, any non-cancelable lease agreement which meets one or more of the following criteria should be capitalized:

1. The lease transfers ownership of the property to the district at the end of the lease term.
2. The lease contains a bargain purchase option.
3. The lease is equal to 75% or more of the estimated economic life of the leased asset.
4. The present value of minimum lease payments equals or exceeds 90% of the fair value of the leased asset.

Construction in Progress - Construction in progress is used to account for cumulative expenditures incurred up to the balance sheet date relative to the construction of fixed assets. Expenditures include construction cost, contractor payments, interest costs (incurred applicable to the period of construction), and other costs required to finish the project. For governmental fund construction projects, these amounts are not capitalized in the funds during the construction. The amounts are included in the Construction In Progress Account of the General Fixed Asset Account Group. Construction in Progress should be recorded on the balance sheet of the applicable individual proprietary fund. Construction accounts are closed to the appropriate fixed asset accounts and the fixed assets obtained recorded on the fixed asset accounting system when the asset is completed and placed into service.

Vehicles - Vehicles include school buses and school owned automobiles and are valued at the purchase price plus any trade in or exchange value allowed for the asset traded in.

Types of Assets to be Excluded

Public domain infrastructure assets including roads, bridges, curbs and gutters, streets and sidewalks, drainage system, lighting systems, and similar assets.

Inventories of materials and supplies to be consumed in the normal course of the district's operations. These items, if material in amount, are included on the district's balance sheet but are not intended to be accounted for in the fixed asset system. Inventory shall be considered supply items still in full boxes and located at the Educational Service Center supply area. Items partially dispensed or full boxes of items given to individual employees and taken to their work site, are considered consumed. Historically the amount of inventory at year end has been immaterial, but the treasurer and another staff member will review the amount of inventory on hand each year for materiality.

Depreciation

Depreciation is required for all fixed assets except land. Depreciation of fixed assets accounted for in a proprietary fund should be calculated through the fixed asset system and reported in the accounts of that fund. Unless otherwise noted, all depreciation is calculated using the straight-line method.

Acquisition: Annual depreciation is calculated from the date the asset is received and put into service.

Disposal: No depreciation is taken if the asset is disposed of or taken out of service anytime during the fiscal year.

Useful Life:

The useful life of a fixed asset relates to the life expectancy as used by the specific governmental unit.

The district has established the following general categories of useful lives for its fixed assets:

Buildings	40 years
Building Improvements	10 years
Furniture & Fixtures	7 years
Equipment	5 years
Vehicles -Buses	10 years
Vehicles -Other than Buses	8 years
Improvements -Other than Building	10 years

Useful lives are assigned to each asset unit or determined based on an average for the group. They are based on actual experience, whenever possible, or engineering evidence or practice if the district has no actual experience. They are expressed in terms of the probable total years of service.

Fixed Asset System Maintenance

To maintain the accuracy of the fixed asset system any changes must be reported to the fixed asset manager, including acquisitions, disposals, transfers, adjustments, etc. An annual physical inventory will be conducted to verify the items listed in the fixed asset records. Fixed assets will be physically tagged when acquired and feasible to do so.

Property records and inventory systems are sufficiently maintained to account for and track equipment acquired with federal funds.

Acquisitions must be reported immediately to the treasurer's office. Generally, this will occur via the receipt of goods section of a purchase order with additional information supplied from invoices, contracts, etc. Donated assets will be valued and accepted by the Governing Board.

Disposal of assets occur through several means, including sale, trade-in, loss by theft, etc. All disposals by any means, must be reported to the treasurer's office. An asset to be disposed of by sale which has a current value in excess of \$2,000 must be sold at auction (pursuant to RC 3313.41). The treasurer's office shall be informed of such auctions and shall be provided with a full report and accounting of all assets disposed of for use in updating the fixed asset records. All sale or trade-in of assets, regardless of value, must have prior approval of the superintendent.

Gains and losses are not recognized for retirements in the General Fixed Asset Account Group. If the asset is sold, the appropriate record is removed from the account group, along with the applicable "investment in general fixed assets" record on the general ledger. The cash received is posted to the appropriate governmental fund in the current period as other financing source - proceeds from the sale of fixed assets.

Retirement of assets within proprietary funds incorporates gains and losses due to the income determination nature of these funds. If an asset is sold, the gain or loss basis is book value. The asset record and its related accumulated depreciation are removed from the individual proprietary fund general ledger to retire the fixed asset.

For assets exchanged for replacements, refer to the section on exchanges or trade-ins in this policy.

Transfers of property between governmental funds is merely a change in location, person responsible, etc., of general fixed assets. A transfer of property from a governmental fund to a proprietary fund, with no monetary consideration involved should be considered as a donated asset in the General Fixed Asset Account Group at its fair market value on the date of transfer. Assets transferred must be reported to the treasurer's office to maintain the system.

Exchange or trade-ins of fixed assets sometimes take place in the course of asset acquisitions. When this occurs, the fixed asset records are updated to reflect the fixed assets exchanged or traded-in for new assets. Since several fixed asset records are affected, the transactions must be reported to the treasurer's office to maintain the system.

The valuation procedures depend on whether the asset is part of the General Fixed Asset Account Group or a proprietary fund. The former does not record a gain or loss. The value of the new asset is calculated as the trade-in or exchange value allowed for the new asset, plus any cash paid. The capitalized cost of the new asset is not to exceed its fair market value.

Gains and losses are recognized on the exchange or trade-in of fixed assets in proprietary funds. When dissimilar assets are exchanged, the asset received is valued at its fair market value. The gain or loss is the difference between the fair market value of the new assets and the book value of the old asset, plus any cash paid.

Physical Inventory of Fixed Assets

An annual physical inventory is necessary for accountability and control. It confirms the reliability (or lack of reliability) that can be placed on the fixed asset accounting system by verifying the actual existence of the items represented by the fixed asset records.

At least once a year, each employee responsible for fixed assets, i.e. teacher, supervisor or other, will be provided with a current listing of all fixed assets assigned to them. The employee is expected to verify the accuracy of the listing and to provide explanations for discrepancies. The treasurer or treasurer's staff will review all discrepancies and explanations.

Tagging Fixed Assets

Physical tags should be placed on the assets so that they are not easily removed or destroyed by asset use. The numerical designation appearing on the tag will be a simple consecutive series of numbers which are assigned to assets in consecutive number without regard for the type of asset or location. The use of a consecutive number allows each asset to carry the assigned number throughout its entire life, regardless of its location. Once disposition has occurred, the number should be retired. Tag numbers will be assigned by the Treasurer's office.

[Adoption Date: 5/28/96]

[Amended Date: 7/24/01]

[Amended Date: 7/19/05]

[Amended Date: 7/25/17]

LEGAL REFS: ORC 117.38
 3313.20; 3313.41
 2 C.F.R. Part 200

CROSS REF: DECA, Administration of Federal Grant Funds

AUDITS

In accordance with State statutes, all Educational Service Center financial records are subject to audit by the Bureau of Inspection and Supervision of Public Offices of the State Auditor's Office. The Governing 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 will be placed on file in the State Auditor's Office; another copy will be submitted to the Governing Board. The Board will make the audit report available for public inspection.

[Adoption Date: 5/28/96]

LEGAL REFS.: ORC 117.09; 117.10; 117.101; 117.11; 117.12; 117.26; 117.27; 117.28
3313.27; 3313.30; 3313.483

PURCHASING

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

The Governing 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 Governing Board approval, except in those instances in which, by law or Governing Board policy, the purchases or services must be put to bid.

The Governing Board authorizes blanket purchase orders to be issued for generic supplies for up to three months and up to the \$5,000 limit. Blanket purchase orders will not extend beyond the current fiscal year.

A super blanket purchase order for a "specific" permitted purpose and in an amount not to exceed the line-item appropriation and fund, is authorized to the extent permitted by law. The super blanket purchase order may not extend beyond the current fiscal year.

The Governing Board permits payment of gratuities (tips) for items delivered to the Educational Service Center (minimum of two dollars, not to exceed fifteen percent).

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

The Governing Board assigns the Superintendent 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 Educational Service Center and are conducted in accordance with all applicable laws and regulations.

[Adoption Date: 5/28/96]

[Amended Date: 4/19/04]

[Amended Date: 12/16/08]

[Amended Date: 11/27/18]

LEGAL REFS.: Ohio Const. VIII, 2e
ORC 9.314
3313.172; 3313.18; 3313.33; 3313.46
3319.04
3327.08
5705.38; 5705.39; 5705.40; 5705.41; 5705.412
2 C.F.R. Part 200

CROSS REFS.: DECA, Administration of Federal Grant Funds
DJC, Bidding Requirements
DJF, Purchasing Procedures
DK, Payment Procedures

PURCHASING AUTHORITY

The Governing Board's authority for the purchase of materials, equipment, supplies and services is extended to the Educational Service Center administration through the detailed listing of such items compiled as part of the budget-making process and approved by the Governing Board through its adoption of the annual appropriations resolution.

The purchase of items and services on such lists require no further Governing Board approval, except in those instances in which, by law or Board policy, the purchases or services must be put to bid.

In an effort to bring about the smooth and efficient operation of the school system, the Governing Board will pass, at its first meeting of the school fiscal year, specific authorizations for the procurement of supplies, equipment and services for the fiscal year and for the disposal of obsolete equipment and materials.

[Adoption Date: 5/28/96]

LEGAL REFS.: ORC 3313.17; 3313.171; 3313.172; 3313.18

PETTY CASH ACCOUNTS

The Board directs the Treasurer to create petty cash accounts allowing employees to make purchases “within” the District. The Treasurer designates the amount of money that may be placed in the accounts as well as the procedures and requirements for replenishing the accounts.

The Treasurer establishes the amount of money to be placed in the accounts by Board resolution. The Treasurer’s approval is needed to replenish the accounts. No major purchases may be made from the accounts.

Any employee 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: 5/30/00]

[Amended Date:12/22/2020]

LEGAL REF.: ORC 9.38

CROSS REF.: DM, Deposit of Public Funds

BIDDING REQUIREMENTS

Contracts for construction or demolition of buildings or for any improvements or repairs that exceed \$50,000 are let only after bids are solicited and received in compliance with law. However, if the Governing Board enters into a shared savings contract for energy conservation measures, competitive bidding is not required. The Governing 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 \$10,000 but under \$50,000 will be based on price quotations submitted by at least three vendors. These quotations are treated confidentially until the deadline for filing is past; thereafter they are public information.

The Superintendent will assemble the proper specifications and make the necessary arrangements for public bidding and price quotations. The Treasurer will receive the bids and price quotations and record them. The Superintendent will make his recommendations to the Governing Board. Upon approval by the Board, he will process purchase orders to those bidders awarded contracts and notify the other bidders of the results of the bidding.

Purchases made through the use of federal funds are made in compliance with the requirements of State and Federal law, and Wood County ESC policies and procedures, including the applicable bidding requirements.

[Adoption Date: 5/28/96]

[Amended Date: 7/21/09]

[Amended Date: 3/28/17]

[Amended Date: 11/27/18]

LEGAL REFS.: ORC 9.314

153.01; 153.12 through 153.14; 153.50 through 153.56

3313.372; 3313.373; 3313.46

3319.04

2 C.F.R. Part 200

CROSS REFS.: DJ, Purchasing

DJF, Purchasing Procedures

PURCHASING PROCEDURES

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

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

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

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

Prior to July 1, 2018, the Wood County ESC followed the requirements outlined in previous OMB guidance. Effective July 1, 2018 all purchases for property and services made using federal funds are conducted in accordance with all applicable Federal, State and local laws and regulations, the Uniform Guidance, and the ESC's written policies and procedures.

[Adoption Date: 10/23/12]

[Amended Date: 7/25/17]

[Amended Date: 11/27/18]

LEGAL REFS.: ORC 3313.46
 3327.08
 5705.41 (D) (1); 5705.412; 5705.44
 2 C.F.R. Part 200

CROSS REFS.: DECA, Administration of Federal Grant Funds
 DJ, Purchasing
 DJC, Bidding Requirements

PURCHASING PROCEDURES

General

1. The Board designates the Superintendent as the purchasing agent.
2. No person may commit the Wood County ESC to a purchase without the appropriate certificate of the availability of funds.
3. The materials, equipment, supplies and/or services to be purchased will be 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. No requisitioner shall knowingly restrict competition or otherwise preclude the most economical purchase of the required items.
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 will be based on his evaluation and that of the requisitioner. In the case of disagreement between the requisitioner and the Treasurer, either party may refer the matter the Superintendent.

Requisitions

1. The Wood County ESC establishes a standardized requisition procedure to allow authorized representatives to submit requests for the purchase of materials and supplies.
2. 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, and supervisors. Each requisitioner will be responsible for limiting his/her requisitions to the appropriate amounts and budget accounts.
3. Only ESC approved methods or forms are used for requisitioning.
4. A requisition to be considered appropriate for processing will meet the following requirements:
 - a. be issued by and bear the signature of an authorized requisitioner;
 - b. contains adequate information;
5. The number of requisitions will be kept to a minimum.
6. After a purchase order has been issued by the Treasurer's office, the number of the purchase order is recorded on the requisition.
7. After processing, the original copy of the requisition will be filed in the office of the Treasurer.
8. All approved requisitions are submitted to the Treasurer.

Purchase Orders

1. Purchase orders will 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 will be shown;
 - c. clear delivery instructions, including place and time;
 - d. signature of Superintendent;
 - e. appropriate account code number
 - f. the Treasurer's certificate of available revenue and appropriation.
2. Purchase orders will be numbered and prepared in sets of four copies each to be used as follows:
 - a. original to vendor;
 - b. copy 2-filed numerically by purchase order number;
 - c. copy 3-sent to the accounting office for encumbrance and later filed in check and date and order and
 - d. copy 4-returned to requisitioner, to be returned after certification as to receipt in proper quantity and satisfactory condition. (This copy is filed with the claim form by claim number).
3. Verbal confirmation orders subject to subsequent confirmation by a written purchase order may be issued only in cases in which a bona fide emergency situation exists which can be handled only by this procedure:
 - a. whenever possible, a purchase order number should be given to the supplier and
 - b. a confirming requisition will be issued immediately, marked "confirmation" indicating the purchase order number, if one was given.

Federal Procurement

Purchasing of goods and services using federal funds must be done in accordance with the above procedures and also in accordance with all federal requirements including allowability of costs. All purchases must be reasonable and free of conflicts of interest and conducted in a manner providing full and open competition.

No purchase will be made using federal funds unless the ESC verifies that the contractor is not suspended or debarred.

Once the threshold has been established.

The following methods of procurement will be used for all purchases of goods and services made with federal funds.

1. Micro-purchases are purchases up to \$10,000 and may be made in accordance with ESC purchasing procedures when the costs are reasonable, based on research, experience, purchase history or other information and documents. The maximum extent practicable, these purchases are distributed equitably among qualified suppliers.
2. Small purchases are purchases between \$10,000 and \$50,000. Prior to authorizing the purchase, the ESC will ~~try to~~ obtain price rates or quotations from a minimum of three (3) vendors or providers (verbally, in writing, using price listing on websites, etc.).

Formal Procurement Methods

1. Sealed bid procedures are used for firm fixed price contracts over \$50,000 and is used as the preferred method for construction projects. Bids are solicited from and received in compliance with law, which cannot be less than two responsible bidders. The contract will be awarded to the lowest responsive and responsible bidder.
2. Competitive proposals are used for all fixed price or cost reimbursement contracts over \$50,000 for which sealed bids are not appropriate and must be used for architectural or engineering services. The ESC will publicize a request for proposal in compliance with law. The ESC will evaluate proposals in order to award the contract to the most advantageous proposal when considering cost and other factors in compliance with law.

Noncompetitive Procurement

Noncompetitive procurement can only be awarded if one or more of the following circumstances apply;

1. the aggregate amount does not exceed the established micro-purchase threshold;
2. the goods or services are only available from a single source;
3. a public exigency or emergency exists;
4. the applicable pass-through entity expressly authorizes a noncompetitive procurement in response to written request from the ESC or
5. after solicitation of a number of sources, competition is determined inadequate.

All Solicitations:

1. Include clear and accurate description on the technical requirements for the material, product or service to be procured. This description sets forth the minimum and essential characteristics the material, product or service must meet.
2. Will not contain specifications that unduly restrict competition.
3. Identify all requirements offerors must fulfill and all other factors to be used in evaluating bids or proposals.

The ESC also complies with all fund specific obligations. The ESC includes the following clauses in contracts when required for the fund type:

1. equal employment opportunity
2. termination for cause and convenience
3. contract work hours/safety standards
4. Davis Bacon Act provisions
5. rights to inventions made under a contract
6. debarment and suspension
7. Byrd Anti-Lobbying Amendment language

To the extent required by law, the ESC shall require that the person awarded a contract satisfy the bonding requirements set forth in the applicable Federal regulations.

The ESC maintains records to verify selection or procurement type and compliance with applicable procurement requirements.

[Adoption Date: 5/28/96]

[Amended Date: 7/24/01]

[Amended Date: 3/27/18]

[Amended Date: 11/27/18]

[Amended Date: 11/23/2021]

CREDIT CARDS

The Governing Board recognizes the value of an efficient method of payment and recordkeeping for certain expenses and authorizes the use of ESC credit cards. The name of the ESC shall appear on each ESC credit card related to an account held by the ESC. A “credit card account” shall include any bank-issued credit card account, store-issued credit card account, financial institution-issued credit card account, financial depository-issued credit card account, or any other card account allowing the holder to purchase goods or services on credit. The term expressly excludes any procurement card account, gasoline or telephone credit card account, or any other card account where merchant category codes are in place as a system of control for use of the account. The Treasurer/CFO will provide an annual report to the board detailing all rewards received based on the use of the credit card account.

The authorization, handling and use of credit cards have been established to provide a convenient and efficient means to purchase goods and services from vendors. Credit cards, however shall not be used in order to circumvent the general purchasing procedures established by State law and Board policy. The Board affirms that credit cards shall only be used in connection with Board-approved or ESC related activities, and that only those types of expenses that are for the benefit of the ESC and serve a valid and proper public purpose shall be paid for by the credit card. Use of the ESC credit card for any cash withdrawal transaction is strictly prohibited.

Inappropriate or illegal use of the credit card and/or failure to strictly comply with the limitations set forth in policy will result in a loss of credit card privileges, disciplinary action, up to and including termination, and personal responsibility for any and all inappropriate charges, including finance charges and interest assessed in connection with the purchase. Additionally, any officer or employee of the ESC who knowingly misuses a credit card account is guilty of the criminal offense of misuse of credit cards. Violations will be reported to the appropriate law enforcement authorities and any applicable licensure board (s).

The maximum limits for any credit cards account shall be:

Amazon Business: \$32,000
Staples: \$7,800
Staples Advantage: \$ 10,000
Visa (3) : \$8,000 each

All credit card statements are sent directly to the Treasurer/CFO’s office. The Treasurer/CFO shall retain general possession and control of the credit card account and presentation instruments related to an account. Any Wood County E.S.C. employee or Governing Board Member can use a credit card for the payment of authorized expenses consistent with their organizational responsibilities.

The employee shall:

- A. Immediately notify the Treasurer/CFO at 419-349-1504 if the card is lost or stolen, or if s/he becomes aware of a data breach which may involve the card;

- B. The employee shall issue a requisition to the appropriate credit card vendor, and once the requisition is approved, the employee can sign out the credit card from the Treasurer/CFO;
- C. Return the credit card and detailed itemized receipts within 24 hours of signing out the card for purchases from a merchant.
- D. Return the card with detailed itemized receipts on the first business day after the travel has been completed;
- E. Inform merchants that the purchase is for “official E.S.C. business” and is not subject to State or local sales tax. The employee shall present a tax exemption form when required by a merchant;
- F. Maintain credit cards in a secure fashion and prevent unauthorized charges to the account;
- G. Use reasonable care when making purchases online, refrain from providing credit card number to unknown online merchants, and will not auto-save credit card numbers for any online accounts;
- H. Not write down credit cards numbers to keep in their possession;
- I. Maintain sufficient documentation of all purchases, including, but not limited to, charge receipts, original cash register slips or other detailed receipts and invoices;
- J. Provide documentation of all purchases to the Treasurer/CFO in a timely manner to ensure prompt payment;
- K. Refrain from allowing anyone else to use the credit card while in their possession;
- L. Refrain from splitting the costs of an invoice or purchase in order to circumvent the credit card process and established, pre-approved single purchase limits, monthly spending limits, and/or funds availability;
- M. Not use a credit card for personal use or for any other non-district purchases;
- N. Not purchase any alcoholic beverages.

The officer or employee is liable in person and upon any official bond to reimburse the ESC the amount for which the office or employee does not provide receipts in accordance with the credit card policy described herein.

[Adoption Date: 5/19/2020]

LEGAL REFS.: ORC 9.21; 9.22

2913.21

3313.11

CROSS REFS.: DJ, Purchasing

DLC, Expense Reimbursement

GCL, Professional Staff Development Opportunities

GDL, Support Staff Development Opportunities

CREDIT CARDS

The Governing Board recognizes the efficiency and convenience afforded the day-to-day operation of the Educational Service Center 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 Educational Service Center shall be held and supervised by the Treasurer and used only for approved Educational Service Center-related activities.
2. Credit cards may be used for Educational Service Center-related transportation, lodging and meals for the Board, Superintendent, Assistant Superintendent and Treasurer.
3. 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, all original credit card charge receipts must be submitted to the Treasurer's office. Credit card statements will be mailed directly to the Treasurer's office. Any late fees assessed to the Educational Service Center due to an employee/Board member failing to submit credit card receipts on a timely basis are the responsibility of the employee/Board member. Receipts for meals must include the names of all individuals for whom meals were provided and the purpose of the meeting. Persons using a Board's credit card for personal, non-authorized purposes or undocumented expenditures shall be held personally responsible for those expenditures. Abuse of the credit card is subject to disciplinary procedures, including termination. The use of a Board credit card does not supersede the required completion of a professional leave form when applicable.
4. The Treasurer keeps a record of all credit card use.

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

1. payment of any fines, penalties or personal liabilities incurred by the administrator or anyone else;
2. alcoholic beverages or tobacco;
3. fuel for use in a personal vehicle;
4. entertainment expenses, including pay-per-view movie charges and/or
5. cash advances.

[Adoption date: 12/21/04]

[Amended date: 05/27/08]

CROSS REFS.: DJ, Purchasing
DKB, Petty Cash
DLC-R, Expense Reimbursement
GCL, Professional Staff Development Opportunities
GDL, Support Staff Development Opportunities

CREDIT CARDS - NWOET

The Wood County ESC Governing Board recognizes the efficiency and convenience afforded the day-to-day operation of Northwest Ohio Educational Technology (NWOET) through the use of credit cards under the supervision of the WCESC Treasurer. However, credit cards are not to be used to circumvent the general purchasing procedures required by State law and Board policies.

The Governing 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 NWOET shall be held by the Executive Director of NWOET and supervised by the WCESC Treasurer and used only for approved NWOET related activities.
2. The VISA credit cards may be used for NWOET related transportation, meals, and hotel reservation guarantees for NWOET staff. If a vendor does not accept purchase orders, the VISA credit card can be used for NWOET related purchases.
3. With prior approval of the WCESC Treasurer, *vendor* issued charge cards may be used by NWOET employees for NWOET related purchases from a vendor who does not accept purchase orders or vouchers.
4. The WCESC Treasurer keeps a record of all credit card use.

Receipts and appropriate form(s) are to be submitted with the credit card to the WCESC Treasurer within five business days upon completion of approved use. Failure to turn in receipts and appropriate form(s) to the WCESC 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: 1/27/16]

CROSS REFS: DJ, Purchasing
DJB, Petty Cash Accounts
DLC, Expense Reimbursement

CREDIT CARDS - NWOET

The Wood County ESC Governing Board recognizes the efficiency and convenience afforded the day-to-day operation of Northwest Ohio Educational Technology (NWOET) through the use of credit cards under the supervision of the WCESC 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 NWOET shall be held by the Executive Director of NWOET and supervised by the WCESC Treasurer and used only for approved NWOET related activities.
2. The VISA credit cards may be used for NWOET related transportation, meals, and hotel reservation guarantees for NWOET staff. If a vendor does not accept purchase orders, the VISA credit card can be used for NWOET related purchases.
3. 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, all original credit card charge receipts must be submitted to the WCESC Treasurer's office. Credit card statements will be mailed directly to the WCESC Treasurer's office. Any late fees assessed to NWOET due to an employee member failing to submit 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. Persons using an NWOET 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.
4. The cardholders are required to keep all receipts for goods and services purchased, and submit all documentation of purchases to the WCESC Treasurer's Office in a timely manner.
5. The WCESC Treasurer keeps a record of all credit card use.

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

1. Payment of any fines, penalties or personal liabilities incurred by the administrator or anyone else;
2. Alcoholic beverages or tobacco;
3. Fuel for use in a personal vehicle;
4. Entertainment expenses, including pay-per-view movie charges and/or
5. Cash advances.

[Adoption date: 1/27/16]

CROSS REFS: DJ, Purchasing
DKB, Petty Cash
DLC-R, Expense Reimbursement

PAYMENT PROCEDURES

All claims for payment from Educational Service Center funds will be processed by the Treasurer. Payment will be authorized against invoices supported by approved purchase orders, with properly submitted vouchers, or in accordance with salaries and salary schedules approved by the Governing Board.

As an operating procedure, the Governing Board will receive lists of bills for payment from school funds each month. Actual invoices, statements and vouchers will be available for inspection by the Board.

The Treasurer will be responsible for ensuring that appropriate allocations are observed and that total expenditures do not exceed the amounts appropriated for all items.

[Adoption Date: 5/28/96]

LEGAL REFS.: ORC 3313.18
3315.08
5705.41; 5705.412

PETTY CASH

The Wood County Educational Service Center recognizes the convenience a petty cash fund affords in the day-to-day operation of the office, but the Governing Board is also aware of the abuses that can result from the establishment of such funds unless proper controls are promulgated.

The Governing Board authorizes the establishment of imprest (revolving type) petty cash funds in the care of the Treasurer and in the amount of \$50.00.

The Treasurer shall ensure that:

- a. Petty cash funds are spent only for:
 1. Postage
 2. Delivery charges
 3. Office supplies
 4. Miscellaneous purchases
- b. No single purchase for petty cash exceeds \$25.00.
- c. Funds are not used to subvert the regular purchasing procedure.

The person responsible for each petty cash fund shall prepare a total of the disbursement slips which shall be submitted to the Treasurer on a periodic basis.

[Adoption Date: 5/28/96]

SALARY DEDUCTIONS

Except for deductions for absence not covered by paid leave or those required by law, salary deductions will be allowed only upon authorization by the employee and approval by the Governing 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. absence not covered by paid leave and
4. Medicare deduction in compliance with federal law.

Other deductions will be in accordance with Governing Board policy.

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

The provider must also maintain five (5) participants in order to remain on the active approved provider list. In addition, the provider must be able to cooperate with the Information Sharing Agreement requirements and with any Third Party Administrator the Educational Service Center should choose to hire. Furthermore, the provider must execute a reasonable Hold-Harmless Agreement protecting the Educational Service Center from any liability related to the 403(b) contract into which an employee enters.

When a teacher is absent from duty and there is no sick leave applicable, or when the absence is unauthorized, the salary deduction for each day of unauthorized absence will be based on the current annual salary divided by the number of teacher work days in the official school calendar as adopted by the Governing 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 a specialized employee is absent from duty and there is no sick leave applicable, or the absence is unauthorized, salary deduction for absence will be made on a per diem basis in accordance with the required work year for that particular job classification.

[Adoption Date: 5/28/96]

[Amended Date: 7/21/09]

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

EXPENSE REIMBURSEMENTS

Wood County ESC personnel who incur expenses in carrying out their authorized duties are reimbursed by the ESC 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 current IRS rate.

If there is a mid-fiscal year increase, the increase will go into effect at the beginning of the new fiscal year.

A traveler on official ESC 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.

The Governing Board authorizes the Superintendent to approve reimbursements greater than amounts listed in DLC-R on a case-by-case basis.

[Adoption Date: 6/22/10]

[Amended Date: 7/19/11]

[Amended Date: 6/28/18]

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

EXPENSE REIMBURSEMENTS

All expenses must have prior approval from the Superintendent or his/her designee prior to reimbursement. The following regulations relate to travel and other types of reimbursable expenses.

1. Travel Requests: These must be submitted through the appropriate administrators to the Superintendent or his/her designee.
2. Transportation: All modes of transportation will be authorized consistent with the requirements of the assignment and the efficient and economic conduct of official business. Travel will be by the most reasonable, direct, and economical route.
 - a. Public Conveyance: Round-trip tickets should be purchased if these offer a price advantage. Approval is for coach fare only.
 - b. Automobile: Reimbursement will be made at the rate approved by the Governing Board. This is the maximum rate regardless of the number of passengers. Charges in reasonable amounts for parking, toll road, toll bridge, and ferry charges are reimbursable. An operator of a personal automobile must have a valid driver's license and certification from an insurance carrier for liability insurance coverage.
 - c. Local Transportation: Local transportation such as taxicabs, airport limousines, and buses may be used when justified. Justification must be given on the travel voucher.
 - d. Car Rentals: Rental cars may be used only in cases of emergencies or when no other means of public transportation is practicable. Emergencies may include: canceled airline flights, change in destination due to inclement weather or other circumstances disabled personal automobile or disruption of other means of transportation.
3. Subsistence
 - a. Lodging: Any person on official Educational Service Center business, who must provide lodging for himself in connection with that business will be entitled to reimbursement for the cost of a single room which is current at the place of the meeting. If such person is accompanied by his wife or her husband, lodging expenses will be reimbursed for the cost of a double room at the single occupancy rate.
 - b. Meals: A per diem amount as approved by the Governing Board – no receipts required. Breakfast is not reimbursed on the day of departure and dinner is not reimbursed on the day of return. Additionally, no meals are reimbursed unless overnight stay is required.

Breakfast:	\$5.00
Lunch:	\$10.00
Dinner:	\$15.00
 - c. No alcohol can be reimbursed.
 - d. Gratuities that are included in contracts for board functions will also be reimbursed.
 - e. Breakfast, Luncheon, or Dinner Meetings: Reimbursement may be claimed for costs incurred while on official business conducted at breakfast, lunch or dinner meetings.

4. Other Reimbursable Expenses

- a. Receipts are required for reimbursable miscellaneous transportation expenses such as parking, taxis, car rental, etc.
- b. Conference Registration Fees: Conference and convention registration fees are reimbursable as an “Other Expense” on a Meeting Expense Reimbursement Form.

5. Expense Voucher and Receipts

Reimbursement for expense is obtained by submitting a Meeting Expense Reimbursement Form within 5 days after the month in which the expense was incurred. Forms submitted later are subject to delays in payments.

The original, signed, is required.

- a. Attachments to Meeting Expense Reimbursement Form: Receipts are required for cash expenditures in excess of \$1.00 for travel by public conveyance; local transportation; car rentals; parking, toll bridge and ferry charges; lodging; and conference and convention registration fees.
- b. Payment of Travel Voucher: Checks for reimbursement will be mailed or placed in In-House mailboxes when applicable.

The Governing Board authorizes the Superintendent to approve gratuities greater than 15% and expense reimbursements greater than amounts listed on a case-by-case basis.

[Adoption Date: 5/28/96]

[Amended Date: 5/27/97]

[Amended Date: 4/24/07]

[Amended Date: 7/19/11]

[Amended Date: 5/19/2020]

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

DEPOSIT OF PUBLIC FUNDS

Moneys collected by Educational Service Center employees will be handled with prudent business procedures, in order to demonstrate the ability of Educational Service Center employees to operate in that fashion and to teach such procedures to our students.

All moneys collected will be receipted, accounted for and deposited every 24 hours if possible. In the event the Treasurer, or person in charge of an activity is unable to deposit the money in 24 hours, the money will be accounted for and deposited in the safe. The money can be held no longer than three business days after receipt and the amount must be under \$1000.00. If the amount is more than \$1000, or the money cannot be adequately safeguarded, it must be deposited on the business day following the date of receipt.

In no case shall moneys be left overnight in school buildings, except in safes provided for safekeeping of valuables; even then, no more than a few dollars should be kept. All school banks will provide for making bank deposits after regular banking hours in order to avoid leaving money in a school building overnight.

[Adoption Date: 5/28/96]

[Amended Date: 5/30/00]

[Amended Date: 12/22/2020]

LEGAL REF.: ORC 9.38
3313.291

CROSS REFS.: DH, Bonded Employees and Officers

SCHOOL PROPERTIES DISPOSAL

The Governing Board believes that the efficient administration of the Wood County ESC requires the disposition of property and goods no longer necessary for the maintenance of the educational program or the operation of the ESC.

The Governing Board recognizes that most unused property of the ESC 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 Governing Board's property. Property and goods purchased with federal funds also are subject to the disposal requirements outlined in the Uniform Guidance issued by the U.S. Office of Management and Budget (OMB). Therefore, the Governing Board follows the procedures required by the various statutes governing the disposal of real or personal property.

The Governing Board follows the procedures set forth in State and Federal Law for the disposal of real or personal property at the minimum dollar value set forth in the statute on the date the Governing Board decides to dispose of the property. The Governing Board is required to offer its real property for sale to all community schools, college-preparatory boarding schools, STEM and STEAM schools for the period of time set forth in law. High-performing community schools as defined by State law, are given first priority. If a high-performing community school is not interested in buying the property, the Governing Board then proceeds with offers to purchase from other start-up community schools operating in the District, college-preparatory boarding schools, STEM and STEAM schools located within the territory of the District. If no community school, college-preparatory boarding school, STEM and STEAM school is interested in buying the property, the Governing Board may sell its real or personal property at a public auction following specific statutory requirements if the property exceeds \$10,000 in value. If this statutory threshold is changed by the legislature, the Governing Board and administration's responsibility changes automatically to reflect the new minimum statutory dollar value.

The Governing Board directs the periodic review of all ESC property and authorizes the disposition by sale, donation, trade or discard of any property not required for school purposes.

The ESC complies with State law regarding the sale or lease of unused school facilities to high-performing community schools, community schools and college-preparatory boarding schools, STEM and STEAM schools.

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

For the disposal of property, that is not governed by Federal law, 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 and Federal law when applicable. The property is valued pursuant to a reasonable method as determined by the Superintendent.
2. The Governing 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 Governing Board on an individual basis.

[Adoption Date: 10/23/12]

[Amended Date: 12/07/15]

[Amended Date: 3/28/17]

[Amended Date: 7/25/17]

[Amended Date: 3/27/18]

LEGAL REFS.: ORC 131.09
 3313.17; 3313.37; 3313.40; 3313.41; 3313.411; 3313.413
 3314.051
 5705.10
 2 C.F.R. Part 200

CROSS REFS: DECA, Administration of Federal Grant Funds