

Policy

BOARD OF EDUCATION
LICKING COUNTY EDUCATIONAL SERVICE CENTER

FINANCES

6000/page 1 of 1

6000	FINANCES
6105	Facsimile Signature
6107	Electronic Records
6108	Electronic Fund Transfers
6110	Grant Funds
6111	Internal Controls
6112	Cash Management of Grants
6114	Cost Principles –Spending Federal Funds
6144	Investments
6150	Public School Preschool Tuition
6151	Bad Checks
6152	Student Fees, Fines, and Charges
6153	Background Check Fees
6231	Appropriations and Spending Plan
6232	Appropriations Implementation
6320	Purchases
6410	Requisitions
6411	Fixed Asset Inventory
6412	Disposition of Fixed Assets
6420	Certification Requirements
6423	Credit Card Use
6440	Cooperative Purchasing
6450	Local Purchasing
6460	Vendor Relations
6470	Payment of Claims
6500	Payroll Authorization
6510	Paydays
6520	Payroll Deductions
6520 AG	Qualifying Annuities
6550	Travel Payment & Reimbursement
6605	Crowdfunding
6670	Public School Support Fund
6670 F1	Statement of Purpose Form
6680	Recognition and Awards
6700	Fair Labor Standards Act
6800	System of Accounting
6830	Audit

AUTHORIZATION TO USE FACSIMILE SIGNATURE

The ESC Governing Board authorizes the Treasurer and / or Superintendent of Schools to prepare and utilize a facsimile signature, in lieu of their manual signature, and to affix such facsimile signature to any of the following instruments: checks, drafts, warrants, vouchers, or other instruments for the payment of money and necessary or desirable in connection with the withdrawal of Board funds for and on its behalf. The individuals specified above may affix their manual or facsimile signature to the instruments identified so long as they continue to act as such officers /employees. The use of facsimile signatures is expressly approved by the Board. Said checks, drafts, warrants, vouchers, or other instruments for the payment of money may be drawn or relate to the accounts of the Licking County Educational Service Center with the various financial institutions (depositories/banks) with which the LCESC conducts business.

The Governing Board directs that the financial institutions (depositories/banks), with which the LCESC does business, are authorized and requested to accept, honor, cash, pay or transfer, without limit as to amount or without further inquiry, checks bearing the authorized signature(s) as provided by the immediately preceding paragraph whether tendered in payment of an individual obligation or deposited in the account of the LCESC. The Treasurer is directed to provide written notice of the adoption of any facsimile signature to the depository from which funds are to be withdrawn, which notice shall include a description of the device to be used, a specimen of such facsimile signature, and a copy of this policy. Prior to use of the facsimile signature, the written approval of such depository must be obtained.

Facsimile signature is defined to include, but is not limited to, the reproduction of any authorized signature by copper plate or by photographic, photostatic, or mechanical devise. Facsimile signature does not authorize the use of a rubber stamp signature for any of the instruments detailed above.

The actual facsimile signature should be maintained under the care, custody and control of the Treasurer and, as further precaution, all checks must be entered into the check register so that all numbers can be accounted for.

R.C 9.10, 9.11, 9.12, 9.14, 133.27

Adopted: January 8, 2008

Reviewed: October 11, 2016

Policy

BOARD OF EDUCATION
LICKING COUNTY EDUCATIONAL SERVICE CENTER

FINANCES
6107/page 1 of 1

AUTHORIZATION TO ACCEPT AND DISTRIBUTE ELECTRONIC RECORDS AND TO USE ELECTRONIC SIGNATURES

Unless a provision of law enacted after September 14, 2000, specifically prohibits the use of an electronic record for the specified purpose, the Governing Board authorizes the acceptance and distribution/transmission of electronic records and electronic signatures to and from Educational Service Center staff and other persons, as well as between Center staff members. The Board further authorizes Center staff to create, generate, send, communicate, receive, store, process, use, and rely upon electronic records and electronic signatures.

The Superintendent is authorized to develop administrative guidelines concerning the acceptance and distribution/transmission of electronic records and electronic signatures. After giving due consideration to security, the Superintendent may specify the following:

- A. The manner and format in which the electronic records must be created, generated, sent, communicated, received, and stored and the system established for those purposes.
- B. If electronic records must be signed by electronic means, the type of electronic signature that is required, the manner and format in which the electronic signature must be affixed to the electronic record, and the identity of, or criteria that must be met, by any third party used by a person filing a document to facilitate the process.
- C. Control processes and procedures as appropriate to provide for adequate preservation, disposition, integrity, security, confidentiality, and auditability of electronic records.
- D. Any other required attributes for electronic records that are specified for nonelectronic records or reasonably necessary under the circumstance.

All Center staff shall comply with all provisions of the Uniform Electronic Transmission Act when creating, generating, sending, communicating, receiving, storing, processing, using, and relying upon electronic records. Further, all Center staff, and other persons who use electronic signatures when completing transactions with the Board, shall do so in compliance with State law.

Ohio Revised Code Chapter 1306

Adopted: November 13, 2012
Reviewed: October 11, 2016

Policy

BOARD OF EDUCATION
LICKING COUNTY EDUCATIONAL SERVICE CENTER

FINANCES
6108/page 1 of 1

AUTHORIZATION TO MAKE ELECTRONIC FUND TRANSFERS

The Governing Board authorizes electronic fund transfers (EFTs) for any purpose including direct deposit, wire transfer, withdrawal, investment, or payment, provided such EFTs are consistent with the provisions of R.C. Chapter 1304 and the Electronic Fund Transfer Act. Upon recommendation of the Treasurer/CFO, the Board shall approve the financial institutions that are authorized to receive monetary transactions through electronic or other medium.

Upon the recommendation of the Treasurer/CFO, the Board shall then approve written agreements with financial institutions with whom EFTs will be made.

Such agreements shall set forth internal controls required by State Law and State Administrative Code that will provide adequate integrity, security, confidentiality, and auditability of business transactions conducted by electronic commerce, including, but not limited to, the following:

- A. The official title of the bank account(s) subject to the agreement and each type of transaction approved, such as deposits, disbursements or transfers, shall be specified;
- B. The manual signatures of the Board President, Treasurer/CFO, and the employees authorized to initiate EFTs shall be contained therein;
- C. A requirement that the Educational Service Center maintain documentation signed by the initiator and authorizer of the EFTs to confirm the authenticity of the EFTs;
- D. A requirement that, when funds are properly delivered to the receiving institution, that institution agrees to become responsible for prompt and diligent processing of the funds;
- E. A requirement that written or printed documentation from the financial institution acknowledging such transactions, including but not limited to deposit slips, debit and credit memos, trust receipts, transfer acknowledgements, or canceled warrants, shall be provided so that it may be kept in official files of the Center, which shall be maintained in a manner which facilitates easy review and validation of transactions.

All Center staff shall comply with all provisions of Uniform Electronic Transaction Act, when creating, generating, sending, communicating, receiving, storing, processing, using, and relying upon electronic records. Further, all Center staff and other persons who use electronic signatures when completing transactions with the Board shall do so in compliance with State Law.

R.C. Chapter 1304, Chapter 1305, Electronic Transfer Act, 92 Stat. 3728 (1978)
15 U.S.C.A. 1963, as amended

Adopted: July 14, 2015

Reviewed: October 11, 2016

GRANT FUNDS

It is the objective of the Governing Board to provide equal educational opportunities for all Educational Service Center students. Government agencies, as well as foundations, businesses, and individuals, periodically offer both human and material resources to the Center that benefits students and the educational program. Therefore, it is the intent of the Board to consider grant proposals and applications for their potential to enhance the educational opportunities, the educational environment, and the physical and mental growth for each student.

The Superintendent shall review new Federal education legislation and prepare proposals for programs s/he deems would be of aid to the students of this Center. The Superintendent shall approve each such proposal prior to its submission, and the Board shall approve all grants resulting from such proposals.

The Board regards available Federal funds of aid to local school centers 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 accordance with Federal regulations and guidelines.

No Federal funds received by the Center 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 education 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.

Grant Proposal Development

- A. all grant proposals must support at least one (1) Center goal or priority;
- B. for projects where grant funds will not cover the entire cost of project implementation, additional fund sources must be identified, documented, and approved during the internal review process;
- C. each grant proposal shall be reviewed and approved by the Superintendent prior to submission to the funding source.

Policy
BOARD OF EDUCATION

FINANCES

LICKING COUNTY EDUCATIONAL SERVICE CENTER

6110/page 2 of 5

The Superintendent shall present grant proposals to the Board for approval of government-funded proposals with budgets exceeding \$250,000.00.

Grant Administration

- A. The administration of grants will adhere to all applicable Federal, State, local and grantor rules and regulations, including the terms and conditions of the Federal awards, as well as Center policies and administrative guidelines;
- B. The Superintendent is responsible for the efficient and effective administration of grant awards through the application of sound management practices;
- C. The Superintendent is responsible for administering grant funds in a manner consistent with underlying agreements, applicable statutes, regulations and objectives, and the terms and conditions of the grant award;
- D. The Center shall employ internal controls, including the organizational and management strategies necessary to assure proper and efficient administration of grant awards;
- E. All Federal funds received by the Center will be used in accordance with the applicable Federal law and regulations and the terms and conditions of the Federal award. The Superintendent shall require that each draw of Federal monies be aligned with the Center's payment process (whether reimbursement, cash advance or a combination). If funds are permitted to be drawn in advance, all draws will be as close as administratively feasible to the program expenditures and that, when restricted, such monies are used to supplement programs and funding and not to supplant or replace existing programming or current funding;
- F. The Superintendent is authorized to sign related documents for grant administration, including documents required for submittal of grant proposals;
- G. Employee positions established through the use of grant funding shall terminate if and when the related grant funding ceases;
- H. Program reports including, but not limited to audits, site visits, and final reports, shall be submitted to the Superintendent for review and distribution to the Board and other appropriate parties.

Financial Management

The financial management of grant funds shall be in compliance with all applicable Federal, State, local and grantor rules, regulations, and assurances as well as Center policies and administrative guidelines.

Policy
BOARD OF EDUCATION

LICKING COUNTY EDUCATIONAL SERVICE CENTER

FINANCES

6110/page 3 of 5

The Center shall provide for the following:

- A. Identification, in Center accounts, of all grant awards received and expended and the programs under which they were received. For Federal programs and awards, identification shall include the Catalog of Federal Domestic Assistance (“CFDA”) title and number, Federal award identification number and year, name of the Federal agency and name of the pass-through entity, as applicable.
- B. Accurate, current, and complete disclosure of the financial results of each Federal award or program in accordance with the reporting requirements of the grant.
- C. Records that identify adequately the source and application of funds provided for Federally-funded activities. These records must contain information pertaining to Federal awards, authorizations, obligations, unobligated balances, assets, expenditures, income and interest and be supported by source documentation.
- D. Effective control over, and accountability for, all funds, property, and other assets. The Center must adequately safeguard all assets and assure that they are used solely for authorized purposes.

Further, the Center must:

- 1. establish and maintain effective internal control over the Federal award that provides reasonable assurance that the Center is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award;
- 2. comply with Federal statutes, regulations and the terms and conditions of the Federal award;
- 3. evaluate and monitor the Center’s compliance with statutes, regulations and the terms and conditions of the Federal award;
- 4. take prompt action when instances of noncompliance are identified including noncompliance identified in audit findings;
- 5. take reasonable measures to safeguard protected personally identifiable information and other information the Federal awarding agency or pass-through entity designates as sensitive consistent with applicable Federal, State, local, and tribal laws regarding privacy and obligations of confidentiality.

Policy
BOARD OF EDUCATION

LICKING COUNTY EDUCATIONAL SERVICE CENTER

FINANCES

6110/page 4 of 5

- E. Comparison of expenditures with budget amounts for each Federal award.
- F. Recordkeeping and written procedures to the extent required by Federal, State, local and grantor rules and regulations pertaining to the grant award and accountability, including, but not limited to, the following areas:
 - 1. cash management
 - 2. allowability
 - 3. conflict of interest
 - 4. procurement and equipment management
 - 5. conducting technical evaluations of proposals and selecting recipients
 - 6. compensation and fringe benefits
 - 7. travel
- G. Disclosure of any potential conflict of interest and all mandatory violation disclosures potentially affecting the Federal award/grant to the Federal awarding agency or pass through agency in accordance with applicable Federal policy.
- H. Insurance coverage for real property and equipment, if applicable, equivalent to such property owned by the Center.

Program Income

Program income means gross income earned by a grant recipient that is directly generated by a supported activity or earned as a result of the Federal award during the grant's period of performance.

It includes, but is not limited to, income from fees for services performed, the use or rental of real or personal property acquired under Federal awards, the sale of commodities or items fabricated under a Federal award, license fees and royalties on patents and copyrights, and principal and interest on loans made with Federal award funds. Interest earned on advances of Federal funds is not program income. Except as otherwise provided in Federal statutes, regulations or the terms and conditions of the Federal award, program income does not include rebates, credits, discounts and interest earned on any of them. Additionally, taxes, special assessments, levies, fines and other such revenues raised by a recipient are not program income unless the revenues are specifically identified in the Federal award or Federal awarding agency regulations as program income. Finally, proceeds from the sale of real property, equipment or supplies are not program income.

Policy
BOARD OF EDUCATION

LICKING COUNTY EDUCATIONAL SERVICE CENTER

FINANCES

6110/page 5 of 5

Unless it has received prior approval to use a different method or the terms and conditions of the grant authorize a different method, the Center uses the deduction method of accounting for program income. Under the deduction method, program income is deducted from total allowable costs to determine the net allowable costs. Program income will only be used for current costs unless the Center is otherwise directed by the Federal awarding agency or pass-through entity.

Applicable laws, regulations and guidance:

34 C.F.R. 75.707, 76.563, 76.565, 76.707

2 C.F.R. 200.56, 200.71, 200.77, 200.80, 200.112, 200.302, 200.307

2 C.F.R. 200.309, 200.310, 200.313, 200.318-.320, 200.343(b) & (e)

Compliance Supplement for Single Audits of State and Local Governments

20 U.S.C. 7906

Adopted: April 12, 2016

Revised:

INTERNAL CONTROLS

The Superintendent shall establish and maintain effective controls over Federal awards that provide reasonable assurance that the Educational Service Center is managing all awards in compliance with applicable statutes, regulations and the terms and conditions of the awards. The Center will have a process that provides reasonable assurance regarding the achievement of the following objectives:

- A. effectiveness and efficiency of operations;
- B. reliability of reporting for internal and external use; and
- C. compliance with applicable laws and regulations

The internal controls must provide reasonable assurance that transactions are properly recorded and accounted for in order to permit the preparation of reliable financial statements and Federal reports; maintain accountability over assets; and demonstrate compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. The internal controls must also provide reasonable assurance that these transactions are executed in compliance with Federal statutes and regulations that are identified in the Compliance Supplement. Finally, the Center's internal controls must provide reasonable assurance that all Federal funds, property, and other assets are safeguarded against loss from unauthorized use or disposition.

The Center shall:

- A. comply with Federal statutes, regulations, and the terms and conditions of the Federal awards;
- B. evaluate and monitor its compliance with statutes, regulations, and the terms and conditions of the award;
- C. take prompt action when instances of noncompliance are identified including noncompliance identified in audit findings; and
- D. take reasonable measures to safeguard protected "personally identifiable information" (PII) and other information the awarding agency or pass-through entity designated as sensitive or the Center considers sensitive consistent with applicable Federal, State, local, and tribal laws and Center policies regarding privacy and obligations of confidentiality.

Policy
BOARD OF EDUCATION

LICKING COUNTY EDUCATIONAL SERVICE CENTER

FINANCES

6111/page 2 of 2

PII is defined at 2 C.F.R. 200.79 as “information that can be used to distinguish or trace an individual’s identity, either alone or when combined with other personal or identifying information that is linked or linkable to a specific individual”.

However, the definition of PII is not anchored to any single category of information or technology. Rather, it requires a case-by-case assessment of the specific risk that an individual can be identified.

2 C.F.R. 200.61-61, 200.79, 200.303

- A. “Standards for Internal control in the Federal Government” issued by the Comptroller General of the United States;
- B. “Internal Control Integrated Framework” (commonly referred to as the Green Book) issued by the Committee of Sponsoring Organizations of the Treadway Commission;
- C. “Compliance Supplement” issued by the U.S. Office of Management and Budget; and
- D. Internal control guidance issued by the U.S. Department of Education.

Adopted: April 12, 2016
Revised:

CASH MANAGEMENT OF GRANTS

In order to provide reasonable assurance that all assets, including Federal, State, and local funds, are safeguarded against waste, loss, unauthorized use, or misappropriation, the Superintendent shall implement internal controls in the area of cash management.

The Educational Service Center's payment methods shall minimize the time elapsing between the transfer of funds from the United States Treasury or the Ohio Department of Education (ODE) (pass-through entity) and disbursement by the Center, regardless of whether the payment is made by electronic fund transfer, or issuance or redemption of checks, warrants, or payment by other means.

The Center shall use forms and procedures required by the grantor agency or pass-through entity to request payment. The Center shall request grant fund payments in accordance with the provisions of the grant. Additionally, the Center's financial management systems shall meet the standards for fund control and accountability as established by the awarding agency.

The Superintendent is authorized to submit requests for advance payments and reimbursements at least monthly when electronic fund transfers are not used, and as often as deemed appropriate when electronic transfers are used, in accordance with the provisions of the Electronic Fund Transfer Act (15 U.S.C. 1693-1693r).

When the Center uses a cash advance payment method, the following standards shall apply:

- A. the timing and amount of the advance payment requested will be as close as is administratively feasible to the actual disbursement for direct program or project costs and the proportionate share of any allowable indirect costs;
- B. the Center shall make timely payment to contractors in accordance with contract provisions;
- C. to the extent available, the Center shall disburse funds available from program income (including repayments to a revolving fund), rebates, refunds, contract settlements, audit recoveries, and interest earned on such funds before requesting additional cash payments;
- D. the Center shall account for the receipt, obligation and expenditure of funds;
- E. advance payments will be maintained in insured accounts whenever possible; and

Policy
BOARD OF EDUCATION

FINANCES

LICKING COUNTY EDUCATIONAL SERVICE CENTER

6112/page 2 of 2

- F. advance payments will be maintained in interest bearing accounts unless the following apply:
1. the Center receives less than \$120,000 in Federal awards per year;
 2. the best reasonably available interest-bearing account would not be expected to earn interest in excess of \$500 per year on Federal cash balances;
 3. the depository would require an average or minimum balance so high that it would not be feasible within the expected Federal and non-Federal cash resources; and
 4. a foreign government or banking system prohibits or precludes interest bearing accounts.

Pursuant to Federal law and regulations, the Center may retain interest earned in an amount up to \$500 per year for administrative costs. Any additional interest earned on Federal advance payments deposited in interest-bearing accounts must be remitted annually to the Department of Health and Human Services Payment Management System (“PMS”) through an electronic medium using either Automated Clearing House (“ACH”) network or a Fedwire Funds Service payment. Remittances shall include pertinent information of the payee and nature of payment in the memo area (often referred to as “addenda records” by Financial Institutions) as that will assist in the timely posting of interest earned on Federal funds. Pertinent details include the Payee Account Number (“PAN”) if the payment originated from PMS, or Agency information if the payment originated from ASAP, NSF or another Federal agency payment system.

Applicable Laws, Regulations, and Guidance:

2 C.F.R. 200.305

Adopted: April 12, 2016

Revised:

COST PRINCIPLES – SPENDING FEDERAL FUNDS

The Superintendent is responsible for the efficient and effective administration of grant funds through the application of sound management practices. Such funds shall be administered in a manner consistent with all applicable Federal, State and local laws, the associated agreements/assurances, program objectives and the specific terms and conditions of the grant award.

Cost Principles

Except where otherwise authorized by statute, costs shall meet the following general criteria in order to be allowable under Federal awards:

- A. be necessary and reasonable for proper and efficient performance and administrations of the Federal award and be allocable thereto under these principles.

To determine whether a cost is reasonable, consideration shall be given to:

1. whether a cost is a type generally recognized as ordinary and necessary for the operation of the Educational Service Center or the proper and efficient performance of the Federal award;
2. the restraints or requirements imposed by such factors as sound business practices, arm's length bargaining, Federal, State, local, tribal and other laws and regulations;
3. market prices for comparable goods or services for the geographic area;
4. whether the individuals concerned acted with prudence in the circumstances considering their responsibilities; and
5. whether the cost represents any significant deviation from the established practices or Governing Board policy which may increase the expense.

While Federal regulations do not provide specific descriptions of what satisfies the "necessary" element beyond its inclusion in the reasonableness analysis above, whether a cost is necessary is determined based on the needs of the program. Specifically, the expenditure must be necessary to achieve an important program objective. A key aspect in determining whether a cost is necessary is whether the Center can demonstrate that the cost addresses an existing need, and can prove it.

Policy
BOARD OF EDUCATION

FINANCES

LICKING COUNTY EDUCATIONAL SERVICE CENTER

6114/page 2 of 5

When determining whether a cost is necessary, consideration may be given to whether:

- a. the cost is needed for the proper and efficient performance of the grant program;
 - b. the cost is identified in the approved budget or application;
 - c. there is an educational benefit associated with the cost;
 - d. the cost aligns with identified needs based on results and findings from a needs assessment;
 - e. the cost addresses program goals and objectives and is based on program data.
- B. cost is allocable to the Federal award if the goods or services involved are chargeable or assignable to the Federal award in accordance with the relative benefit received.
- C. conform to any limitations or exclusions set forth as cost principles in Part 200 or in the terms and conditions of the Federal award.
- D. be consistent with policies and procedures that apply uniformly to both Federally-financed and other activities of the Center.
- E. be afforded consistent treatment. A cost cannot be assigned to a Federal award as a direct cost if any other cost incurred for the same purpose in like circumstances has been assigned as an indirect cost under another award.
- F. be determined in accordance with generally accepted accounting principles.
- G. be representative of actual cost, net of all applicable credits or offsets.

The term “applicable credits” refers to those receipts or reductions of expenditures that operate to offset or reduce expense items allocable to the Federal award. Typical examples of such transactions are: purchase discounts; rebates or allowances; recoveries or indemnities on losses; and adjustments of overpayments or erroneous charges. To the extent that such credits accruing to or received by the State relate to the Federal award, they shall be credited to the Federal award, either as a cost reduction or a cash refund, as appropriate.

- H. be not included as a match or cost-share, unless the specific Federal program authorizes Federal costs to be treated as such.

Policy
BOARD OF EDUCATION

FINANCES

LICKING COUNTY EDUCATIONAL SERVICE CENTER

6114/page 3 of 5

- I. be adequately documented:
 1. in the case of personal services, the Superintendent shall implement a system for Center personnel to account for time and efforts expended on grant funded programs to assure that only permissible personnel expenses are allocated;
 2. in the case of other costs, all receipts and other invoice materials shall be retained, along with any documentation identifying the need and purpose for such expenditure if not otherwise clear.

Selected Items of Cost

The Center shall follow the rules for selected items of cost at 2 C.F.R. Part 200, Subpart E when charging these specific expenditures to a Federal grant. When applicable, Center staff shall check costs against the selected items of cost requirements to ensure the cost is allowable. In addition, State, Center and program-specific rules, including the terms and conditions of the award, may deem a cost as unallowable and Center personnel shall follow those rules as well.

Cost Compliance

The Superintendent shall require that grant program funds are expended and are accounted for consistent with the requirements of the specific program and as identified in the grant application. Compliance monitoring includes accounting for direct or indirect costs and reporting them as permitted or required by each grant.

Determining Whether a Cost is Direct or Indirect:

- A. direct costs are those that can be identified specifically with a particular final cost objective, such as a Federal award, or other internally or externally funded activity, or that can be directly assigned to such activities relatively easily with a high degree of accuracy.

These costs may include: salaries and fringe benefits of employees working directly on a grant-funded project; purchased services contracted for performance under the grant; travel of employees working directly on a grant-funded project; materials, supplies, and equipment purchased for use on a specific grant; and infrastructure costs directly attributable to the program (such as long distance telephone calls specific to the program, etc.).

- B. indirect costs are those that have been incurred for a common or joint purpose benefitting more than one (1) cost objective, and not readily assignable to the cost objectives specifically benefitted, without effort disproportionate to the results achieved. Costs incurred for the same purpose in like circumstances shall be treated consistently as either direct or indirect costs.

Policy
BOARD OF EDUCATION

FINANCES

LICKING COUNTY EDUCATIONAL SERVICE CENTER

6114/page 4 of 5

These costs may include: general data processing, human resources, utility costs, maintenance, accounting, etc.

Federal education programs with supplement not supplant provisions must use a restricted indirect cost rate. In a restricted rate, indirect costs are limited to general management costs. General management costs do not include divisional administration that is limited to one (1) component of the Center, the governing body of the Center, compensation of the Superintendent, compensation of the chief executive officer of any component of the Center, and operation of the immediate offices of these officers.

The salaries of administrative and clerical staff should normally be treated as indirect costs. Direct charging of these costs may be appropriate only if all the following conditions are met:

1. administrative or clerical services are integral to a project or activity;
2. individuals involved can be specifically identified with the project or activity;
3. such costs are explicitly included in the budget or have the prior written approval of the Federal awarding agency;
4. the costs are not also recovered as indirect costs.

Where a Federal program has a specific cap on the percentage of administrative costs that may be charged to a grant, that cap shall include all direct administrative charges as well as any recovered indirect charges.

Effort should be given to identify costs as direct costs whenever practical, but allocation of indirect costs may be used where not prohibited and where indirect cost allocation is approved ahead of time by the Ohio Department of Education (“ODE”) or the pass-through entity (Federal funds subject to 2 C.F.R. Part 200 pertaining to determining indirect cost allocation).

Timely Obligation of Funds

Obligations are orders placed for property and services, contracts and sub-awards made, and similar transactions during a given period that require payment by the non-Federal entity during the same or a future period.

The following table illustrates when funds are determined to be obligated under the U.S. Department of Education regulations:

Policy
BOARD OF EDUCATION
LICKING COUNTY EDUCATIONAL SERVICE CENTER

FINANCES

6114/page 5 of 5

If the obligation is for:

- A. acquisition of property – on the date which the Center makes a binding written commitment to acquire the property.
- B. personal services by an employee of the Center – when the services are performed.
- C. person services by a contractor who is not an employee of the Center – on the date which the Center makes a binding written commitment to obtain the services.
- D. public utility services – when the Center receives the services.
- E. travel – when the travel is taken.
- F. rental of property – when the Center uses the property.
- G. a pre-agreement cost that was properly approved by the Secretary under the cost principles in 2 C.F.R. Part 200, Subpart E – Cost Principles – on the first day of the project period.

Period of Performance

All obligations must occur on or between the beginning and ending dates of the grant project. This period of time is known as the period of performance. The period of performance is dictated by statute and will be indicated in the Grant Award Notification (“GAN”). As a general rule, State-administered Federal funds are available for obligation within the year that Congress appropriates the funds for. However, given the unique nature of educational institutions, for many Federal education grants, the period of performance is twenty-seven (27) months. This maximum period includes a fifteen (15) month period of initial availability, plus a twelve (12) month period for carryover. For direct grants, the period of performance is generally identified in the GAN.

In the case of a State-administered grant, obligations under a grant may not be made until the grant funding period begins or all necessary materials are submitted to the granting agency, whichever is later. In the case of a direct grant, obligations may begin when the grant is, unless an agreement exists with ODE or the pass-through entity to reimburse for pre-approval expenses.

For both State-administered and direct grants, regardless of the period of availability, the Center shall liquidate all obligations incurred under the award not later than ninety (90) days after the end of the funding period unless an extension is authorized. Any funds not obligated within the period of performance or liquidated within the appropriate time frame are said to lapse and shall be returned to the awarding agency. Consequently, the Center shall closely monitor grant spending throughout the grant cycle.

2C.F.R. 200.403-.406, 200.413(a)-(c), 200.430(a), 200.431(a), 200.458

Adopted: April 12, 2016

Policy

BOARD OF EDUCATION
LICKING COUNTY EDUCATIONAL SERVICE CENTER

FINANCES
6144/page 1 of 1

INVESTMENTS

The ESC Governing Board authorizes the Treasurer to make investments of available monies from the funds of the District in securities authorized by State law. These shall include:

- A. bonds, notes, or other obligations of or guaranteed by the United States, or those for which the faith of the United States is pledged for payment of principal and interest thereon
- B. bonds, notes debentures, or any other obligations or securities issued by a Federal government agency or instrumentality
- C. interim deposits in Board approved depositories
- D. bonds and other obligations of the State
- E. no-load money market mutual funds consisting exclusively of obligations described in A. and B. above or repurchase agreements secured by such obligations, provided such investments are made only through banks and savings and loan institutions authorized by R.C. 135.03
- F. the Ohio Subdivision Fund (STAR Ohio)

Under no circumstances may the Treasurer invest in a derivative as defined by the Revised Code, reverse repurchase agreements, or other funds prohibited by law. The Treasurer shall also not make investments which s/he does not reasonably believe can be held until the maturity date or leverage any investment.

Investments made by the Treasurer must mature within five (5) years, unless they are matched to a specific obligation or debt of the District. The Treasurer is also authorized to enter into repurchase agreements in accordance with 135.14(E) of the Revised Code. Such agreements may be either overnight or within a time not to exceed thirty (30) days and may only involve securities listed in A-F above.

The purpose of the investments is to maximize the returns on the District's excess cash balances consistent with safety of those monies and with the desired liquidity of the investments. Earnings on an investment may become a part of the fund from which the investment was made, unless otherwise specified by law.

The Board requires that the Treasurer report to the Board monthly describing each investment, including its cost, maturity date, settlement date, any coupon rate, an estimated market value, or if available, the current market value; the transactions occurring since the last report; and a list of names of any person effecting transactions on behalf of the District. The Treasurer, acting in accord with the law, may withdraw funds from approved public depositories or sell negotiable instruments prior to maturity.

We (Board members), the undersigned, have read this investment policy statement policy, agree to abide by its provisions, and maintain a copy of the policy in our files.

R.C. 133.23, 135.01-.21, 135.22,35,45, 3317.06, 3315.01, 3315.40, 5705.10

Adopted: November 17, 1998

Revised: October 11, 2016

PUBLIC SCHOOL
PRESCHOOL - TUITION

The Governing Board shall assess tuition for attendance in the typical preschool program for students who are not entitled to receive a free public education in such program and thereby charged according to rules of the State's Early Childhood Department.

Fees for attendance in the preschool program for at-risk or typically developing children will be based upon the Federal Poverty Guidelines and market analysis of private preschools/day care programs in Licking County. A sliding fee scale will be set annually. Placement on the sliding fee scale will be determined by Early Education Department personnel from a review of the family's gross annual income. Families are expected to provide the required documentation for a determination of placement on the sliding fee scale or may elect to pay the highest listed rate. Efforts are made to assure the confidentiality of family information. If there is a question regarding the correct placement of a family on a sliding fee scale, the Intake and Billing Coordinator and Director will make the final decision.

Fees are calculated on a monthly basis and are prorated over the school year. There will be a charge added weekly for any unpaid fees. A fee will also be charged when a check is returned due to insufficient funds.

Preschool personnel shall be responsible for the assessment and collection of tuition.

When payment of fees by a parent is more than thirty (30) days overdue, services may be temporarily terminated until payment is made in full. When payment is overdue, the child may be placed on a waiting list. There is no guarantee of re-enrollment when payment is made late. Upon payment-in-full, the child may re-enroll into the program, at which time a new registration fee will be charged. If the program is full, the child may not be re-enrolled until an opening becomes available.

Licking County Educational Service Center employees are eligible to register children in Flying Colors Public Preschool at a maximum "Reduced-1" fee rate, if the child is part of their immediate family.

The definition of "immediate family" is: Children who live in the employee's household and for whom s/he is financially responsible; offspring, grandchild, niece/nephew, step child, brother/sister in-law, foster child, or custodial/legally placed child.

This fee reduction does not apply towards the "Ready, Set, Go" program.

APPENDIX 1

Gross Income Includes:

1. Income from all employed individuals in the family (except a minor who is a full time student as defined by the school, unless the minor is a parent). These include payments received before taxes and other deductions, for services performed as an employee, or by an individual as a result of self-employment;
2. State temporary disability insurance;
3. Temporary workers' compensation payments.

Gross Income Deductions:

1. Child support payments paid by a family member for a child outside the family. The amount paid, up to the amount ordered, is excluded;
2. Alimony paid pursuant to a court order;
3. The verified amount that is being garnished from the income;
4. Earned Income Tax Credit (EITC) payments when added to the individual's wages;
5. Earnings received for participation in the Americorp Vista Program;
6. Any other income amounts that federal statutes or regulations require to be excluded.

R.C. 3313.211, 3313.64, 3317.08, 3323.142, 3327.06

Adopted: February 8, 2000
Revised: February 12, 2008

PRESCHOOL TUITION/FEEES

Definitions:

Activity Fee: A fee charged in addition to normal monthly rate for the purpose of providing special or non-routine activities for the children enrolled.

Caretaker Parent: Is defined as the father or mother of a child whose presence in the home is needed as the caretaker of the child, a person who has legal custody of a child and whose presence in the home is needed as the caretaker of the child, and any other person who stands in “loco parentis” with respect to the child and whose presence in the home is needed as the caretaker of the child. (As defined in the Ohio Dept of Jobs and Family Services Child Care Manual).

Gross Earned Income: Is defined as wages, salary, back pay, bonuses and awards paid by employer, commissions, severance pay, payments from Jobs Corps, work training programs, on-the-job training programs, sick leave paid as wages, annual leave, holiday and vacation pay.

Gross Income: Is defined as gross earned income and gross unearned income as defined in the Ohio Jobs and Family Services Child Care Manual and shall be used for the purpose of determining the appropriate fee category on the sliding fee scale for the general education preschool program.

Gross Unearned Income: Is defined as the total amount of unearned income that is received in the month or year by all members of the family. Unearned income is income that is not gross earned income or is not gross earned income from self-employment, but includes cash contributions received by the family from persons, organizations, or assistance agencies.

Registration Fee: A flat fee to be paid upon enrollment for each year. Fee may vary based upon whether child is in general or special education program and if initial or recurring enrollment.

Self-employment Earnings: Is defined as the total profit from a business enterprise. The total profit from the self-employment enterprise is determined by deducting the self-employment expenses (i.e., the business expenses directly related to producing the goods or services) from the gross receipts. Personal business and/or entertainment expenses are not an allowable deduction and neither are other income amounts that federal statutes or regulations require be excluded.

Sliding Fee Scale: Is defined as the sliding fee scale developed by the Early Education Department for determination of fees for children to be enrolled in the general education preschool program. It is based upon the latest Federal Poverty Guidelines and local market cost for preschool/child care in Licking County. The sliding fee scale will include, but not be limited to, free category(ies), reduced fee category(ies) and over guideline category(ies) with respective increases in the fee for programming. Families determined to be below 100% of the Federal Poverty Guideline will be offered preschool services free of charge. Families determined to be below 185% of the Federal Poverty Guideline, (but above 100% of the Federal Poverty Guideline) will be offered preschool services at an incremental reduced rate. Families determined to be above 185% of the Federal Poverty Guideline will be offered services at incremental rates at local market costs.

The Early Education Department reserves the right to determine enrollment limits for each income category in order to meet grant requirements and operating needs.

FEE STRUCTURES OF THE EARLY EDUCATION DEPARTMENT:

A. General Education Preschool Program Fees

1. An Early Education staff person will determine placement of a family on the sliding fee scale when enrolled in the general education preschool program.
2. Documents used in determining income shall be copied and maintained in the child's cumulative record file.
3. Confidentiality of all sources of family income and placement will be maintained.
4. Acceptable documentation of income may include pay stubs, business records, official correspondence from the employer, the social security administration, Ohio bureau of workers' compensation, and other providers of pension benefits. If the income is in cash without a receipt, a contact with the employer is required. Contact with the individuals or agencies must not be made without the written consent of the caretaker parent.
5. To determine the family's gross yearly income and placement on the sliding fee scale, calculate each family member's gross income by rounding down to the nearest whole dollar-dropping all cents.
6. For situations in which an individual has fluctuating income, the income must first be averaged to arrive at a figure to be converted into monthly or yearly income.
7. For other situations, refer to Ohio Dept. of Jobs and Family Services Child Care Manual for determination of gross income. Failure to provide documentation of the source and amount of income is acceptable grounds for delay or denial of registration processing.
8. Misrepresentation of income provided by the caretaker is grounds for immediate dismissal of the child from services.

B. Special Education Preschool

1. There is no monthly fee for children with disabilities enrolled in the special education preschool program and who have a current IEP.

C. Determination of Registration Fee

1. A registration fee will be charged annually for registration or re-enrollment. The fee may vary for initial registration, re-enrollment or between typical children and children with a disability. The fee schedule will be provided upon request.

D. Special Event Fee

1. A fee may be charged to offset costs of a field trip or special event. The fee will be the same dollar amount for each child regardless of placement on a sliding fee scale.

E. Special Arrangements for Payment of Fee(s)

1. In a situation where a family is unable to pay a fee(s), arrangements will be made with the family on a case-by-case basis.

Revised: Effective 2002-03 School Year

July 16, 2002

Policy
BOARD OF EDUCATION

LICKING COUNTY EDUCATIONAL SERVICE CENTER

FINANCES

6151/page 1 of 1

RETURNED CHECKS

When the Licking County ESC receives a check from a student and/or parent that, when deposited, is returned marked "insufficient funds", the Treasurer or designee shall provide an opportunity for the payor to make proper payment schedule plus a returned check fee, or to arrange for a satisfactory payment plus a returned check fee).

If payment is not received within thirty (30) days, the payment schedule is not adhered to, or the monies do not appear to be collectible, the Governing Board authorizes the Treasurer or designee to remove the fee or charge from the ESC's Accounts Receivable in order to take appropriate action against the student and/or the parent/depending on amount reported to the Licking County Prosecutor's Office for collection.

Adopted: July 6, 1999

Revised: October 14, 2003

STUDENT FEES, FINES, AND CHARGES

The Governing Board 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. The Governing Board, therefore, authorizes the Superintendent to set certain charges/fees to students to facilitate the utilization of appropriate learning materials and cost of running programs following guidelines of the Ohio Department of Education. All requests by staff or programs for such fees, fines or charges must be approved by the Superintendent.

A charge shall not exceed the combined cost of the material used, freight and/or handling charges; field trips; etc. Money received from resale of such material shall be returned to the Treasurer with an accurate accounting of all transactions.

Fees: For the purpose of this policy, "school fees" or "fees" means any monetary charge collected by the ESC from a student or the parent(s) or guardian of the student as a prerequisite for the student's participation in any curricular or extra curricular program of the district or the ESC where classroom units are located.

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. All fines collected will be sent to the Treasurer for deposit in the appropriate fund within 24 hours of receipt.

In accordance with RC.642, failure to pay fees or fines may result in the withholding of grades or credits. In the event the above course of action does not result in the fee being paid, the Board authorizes the Treasurer to take student/and/or the parents to Small Claims Court for collection. Under no circumstances will the Board withhold the grades, credits, official transcripts, diploma, IEP's, or Section 504 Plans of a student for nonpayment of fees for materials used in the courses of instruction, if a complaint has been filed at any time in a juvenile court alleging that the student is an abused, neglected, or dependent child, or if the student has been adjudicated an abused, neglected or dependent child. Further the Board will transfer immediately the grades, credits, official transcripts, IEP's, or Section 504 Plans of a student upon the receipt of either another district's or school's request for those records pursuant to R.C. 3313.672, or a juvenile judge's order under R.C. 2151.272. The Superintendent may request a copy of any order regarding a child's custody or placement issued pursuant to a complaint filed under R.C. 2151.27. The Board, however, will not withhold records required to be transferred pursuant to this paragraph pending receipt of a copy of the order.

Policy
BOARD OF EDUCATION
LICKING COUNTY EDUCATIONAL SERVICE CENTER

FINANCES
6152/page 2 of 2

Annually, the District will report to the Ohio Department of Education the number of students for whom it sent transcripts pursuant to R.C. 3313.642(D), and the total amount of unpaid fees the District lost due to compliance with that provision.

If a procedure is violated by a staff member, this could be grounds for discipline; discipline may include a reprimand, suspension, and/or termination from employment, and possibly filing criminal charges.

R.C. 2151.27, 2151.272, 3313.642, 3313.679.38

Adopted: August 10, 1999
Revised: March 17, 2014

Policy
BOARD OF EDUCATION

LICKING COUNTY EDUCATIONAL SERVICE CENTER

FINANCES

6153/page 1 of 1

BACKGROUND CHECK FEES

The Licking County Educational Service Center (ESC) Governing Board authorizes the Superintendent to set certain charges/fees to students, applicants for employment, and volunteers to facilitate the effective background checks required by law following guidelines of the Ohio Department of Education.

A charge of \$20.00 for a BCII background check will be assessed to each applicant for employment and students who need such for their particular program. And an additional charge of \$24.00 shall be assessed for an FBI background check, if required (any person who has not lived in Ohio continuously for the past five years). Volunteers for the Ohio Reads program will be provided the service of a background check which will be billed to the Ohio Department of Education for payment to the ESC.

All fees collected will be sent to the Treasurer for deposit in the appropriate fund.

Cross Ref: 3121 Criminal History Record Check
 4121 Criminal History Record Check
 6151 Returned Checks

Ref: R.C. 3313.642

Adopted: April 11, 2000

Revised:

APPROPRIATIONS AND SPENDING PLAN

The Annual Appropriations measure shall be designed to carry out Center operations in a thorough and efficient manner, maintain Center facilities properly, and honor obligations of the Governing Board.

The Board may establish a Board Service Fund which shall not exceed the greater of two dollars (\$2.00) per enrolled student or \$20,000.00. The Board Service Fund shall be set aside from 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.

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

The Licking County Educational Service Center (ESC) Governing Board shall adopt as part of its annual appropriation measure a spending plan, as prescribed by law, setting forth a schedule of expenses and expenditures of the General Fund. A copy of the annual appropriation measure and the spending plan shall be submitted to the Superintendent of Public Instruction and shall set forth all revenues available for appropriation by the ESC during such year and their sources and any other information the Superintendent or State law requires.

The plan, amended plan, and updates shall be presented in such detail and form as the Superintendent of Public Instruction or State law prescribes.

R.C. 3313.15, 3316.031, 5705.36, 5705.38(B), 5705.391, 5705.41, 5705.45
A.C. 3301-92-04

Adopted: November 21, 2000
Revised: June 14, 2011

APPROPRIATIONS IMPLEMENTATION

The Governing Board places the responsibility of administering the appropriations, once adopted, with the Superintendent. S/he should consult with the Treasurer often as to concerns when major purchases are considered and shall keep the Treasurer informed as to problems or concerns as the appropriations are being implemented.

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

Listings of expenditures, appropriate financial reports, and budget comparisons shall be submitted to the Board by the Treasurer to keep members informed as to the status of the appropriations and overall financial condition of the Center.

As a part of the regular fiscal report to the Board, the Treasurer shall include any occurrences of non-compliance with Ohio Budgetary Law, as well as any occurrences that actual revenues are less than estimated revenues, including the available equity upon which the appropriations from the fund(s) were based. The Treasurer shall present to the Board recommended amendments to the General Appropriations Act that will prevent expenditures from exceeding revenues. Such recommendations shall be in accordance with requirements of the law.

R.C. 3313.15, 3316.031, 5705.36, 5705.38(B), 5705.391, 5705.41, 5705.45
A.C. 3301-92-04

Adopted: July 19, 2011
Revised:

PURCHASES

The Superintendent is authorized as the purchasing agent of the Board to make ordinary and emergency purchases to keep the Center in operation.

Quotations and Bids - It is the policy of the Board that the Superintendent seek at least two (2) price quotations on purchases of more than \$10,000.00 for a single item, except in cases of emergency or when the materials purchased are of such a nature that the price negotiations would not result in a savings to the Center or when the item is subject to formal bid.

When the purchase of, and contract for, single items of supplies, materials, or equipment amounts to \$50,000.00 or more, and when the Board determines to build, repair, enlarge, improve, or demolish a school building the cost of which will exceed \$50,000.00, the Treasurer shall obtain competitive bids.

Contracts for Development and Improvement of Facilities - All contemplated contracts for professional design services such as for 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. Such agreements shall be a series of not more than thirty (30) one-year renewable lease terms, after which time ownership is transferred to the Board if all obligations of the Board under the agreement have been satisfied.

Other 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 for the purchase, and whether the material might be available elsewhere in the Center. All purchases shall be numbered consecutively. In interest of economy, fairness, and efficiency in its business dealings, the Board requires that an opportunity be provided to as many responsible suppliers as possible to do business with the Center.

Employees may be held personally responsible for anything purchased without a properly signed purchase order or authorization.

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 purchase.

© Neola 2017

Cross Ref: 6410 Requisitions

References: R.C. 9.33, 9.333, 133.06(G), 153.54 et seq., 3313.372, 3313.375, 4115.31

Adopted: December 11, 2008
February 8, 2011

Revised: November 13, 2018

Policy
BOARD OF EDUCATION

LICKING COUNTY EDUCATIONAL SERVICE CENTER

FINANCES

6410/page 1 of 1

REQUISITIONS

The Licking County Educational Service Center (ESC) Governing Board recognizes the value of an efficient method of payment and record keeping for ESC purchases.

Before any purchase is made, a requisition shall be submitted to the Supervisor and then the Superintendent for his/her approval. That requisition then must go to the Treasurer's Office to be turned into a purchase order to continue the purchase process.

Employees may be held personally responsible for anything purchased without a properly-signed purchase order or authorization.

It is the responsibility of the staff member who placed the order to assist the treasurer's office in determining whether materials have been properly received or not.

When the materials, approved packing slip, and invoice are received, payment will be approved.

Cross Ref: 6320 Purchases

R.C. 9.33, 9.333, 133.06(G), 153.54 et seq., 3313.372, 3313.375, 4115.31

Adopted: May 12, 1981

Revised: November 9, 2010

FIXED ASSET INVENTORY

The Governing Board recognizes the value of an efficient method of record keeping for ESC tangible inventory. Fixed assets are long-lived tangible assets which are intended to continue to be held or used by the Service Center, such as furniture, equipment and vehicles.

1. The following criteria will be used in identifying fixed assets:
 - a. A useful life of greater than one year
 - b. A threshold dollar amount of \$500.00 for GAAP reporting purposes or \$500.00 for insurance purposes.
2. Costs will be determined by voucher records.
3. Items will be identified by tag number, description, location, serial number and model number if available.
4. A newly acquired fixed asset will be included in the fixed asset inventory at the time following receipt in acquisition of such asset.
5. Capital lease items (items being purchased on a lease -to-own basis) will be included in the fixed asset inventory with the first lease payment. Their listed cost will be the principle portion of the lease.
6. When items are purchased or donated, the treasurer's designee will complete the "Fixed Asset Acquisition" form, which includes being responsible for physically tagging the item and filing in all pertinent information pertaining to that item. The form will then be forwarded to the treasurer's office.

Adopted: August 8, 1995
Revised: December 10, 2002

DISPOSITION OF FIXED ASSETS

The Governing Board recognizes the value of an efficient method of record keeping for ESC tangible inventory. Fixed assets are long-lived tangible assets which are intended to continue to be held or used by the Educational Service Center, such as furniture, equipment and vehicles.

In order to maintain and control fixed asset inventory, the following procedures must be followed in the disposition of fixed assets:

1. The form "Request for Disposition of Fixed Assets" must be completed by the individual disposing of the asset and submitted to the treasurer's office.
2. Board action will be required if disposed items exceed a value of \$1,000.00. Items valued below \$1,000.00 can be disposed of requiring only the signature of the superintendent.
3. A signed copy of the approved fixed asset disposition form will be returned to the originator as well as the treasurer's designee to update fixed asset records.
4. If a fixed asset is stolen, a police report must be filed immediately upon discovery of the theft, and the superintendent and treasurer notified.
5. If a fixed asset is moved from its current location to another location the form "Fixed Asset Relocation" is to be completed and returned to the treasurer's designee, who will then forward a copy to the treasurer's office.

Ref: O.R.C. 153.56, 3313.46, 3315.07, 3318.41, 5705.41, 5705.41.2

Adopted: August 8, 1995
Revised: November 21, 2000

Policy
BOARD OF EDUCATION

LICKING COUNTY EDUCATIONAL SERVICE CENTER

FINANCES

6420/page 1 of 1

CERTIFICATION REQUIREMENTS

The Governing Board authorizes the treasurer to certify in accordance with Section 5705.41 all expenditures except those which require the procedure for bidding and letting of contracts governed by Section 3313.46, those expenditures which are the result of salary and wage increases, and those expenditures which are incurred due to issuing extended contracts. Section 5705.412 certification requirements shall govern expenditures described in the above exceptions.

Ref: O.R.C. 153.56, 3313.46, 3315.07, 3318.41, 5705.41, 5705.41.2

Adopted: October 11, 1983
Revised: November 21, 2000

USE OF CREDIT CARDS

The Governing Board recognizes the value of an efficient method of payment and recordkeeping for certain expenses.

The Board, therefore, authorizes the use of Educational Service Center credit cards. The name of the Center shall appear on each Center credit card and check related to a credit card account held by the Center. A "credit card account" shall include any bank-issued credit card account, store-issued credit account, financial institution-issued credit card account, financial depository-issued credit card account, affinity credit card account, or any other card account allowing the holder to purchase goods or services on credit or otherwise transact with the account, and any debit or gift card account related to the receipt of grant monies. 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 authorization, handling and use of credit cards has 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 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 school-related activities and that only those types of expenses that are for the benefit of the Center and serve a valid and proper public purpose shall be paid for by credit card. However, under no circumstances shall credit cards be used for personal purchases or the purchases of alcoholic beverages regardless of whether the purchase of such beverages is made in connection with a meal. Use of credit cards in an unauthorized or illegal manner may result in revocation of credit card purchases, disciplinary action and/or, where appropriate, may require the user to pay any and all inappropriate charges, including finance charges and interest assessed in connection with the purchase. Additionally, any officer or employee of the Center 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 limit for any credit card account shall be \$7,000.00. The sum of all credit card accounts shall not exceed \$12,000.00.

Subject to the discretion of the Board and the approval of the Treasurer, credit cards may be used for eligible goods and services including:

- a) transportation reservations and expenses;
- b) conference registrations;
- c) hotel reservation guarantees and expenses;
- d) reasonable meal expenses (both in-town and out-of-town), including a maximum gratuity of 20% but excluding alcoholic beverages;
- e) purchase from vendors who do not accept purchase orders or vouchers, with prior approval from the Treasurer;

Policy
BOARD OF EDUCATION
LICKING COUNTY EDUCATIONAL SERVICE CENTER

FINANCE

6423/page 2 of 3

- f) other purchases approved by the Superintendent/Treasurer on a case-by-case basis.

Officers and employees are liable in person and upon official bond for any unauthorized use of credit cards and any officer or employee who suspects the loss, theft, or possibility of unauthorized use of a credit card must notify the Treasurer immediately, who shall notify the board.

The Board prohibits the use of debit card accounts except for the receipt of grant monies. Any officer or employee of the Center who uses a debit card account for any other purpose is guilty of the criminal offense of misuse of credit cards.

Use of the Center credit card for any withdrawal transaction is strictly prohibited.

The Treasurer/CFO shall retain general possession and control of the credit card account or presentation instruments related to an account, such as credit cards and checks.

Upon receipt of a Center credit card, employees shall:

- a) maintain credit cards in a secure fashion and prevent unauthorized charges to the account;
- b) use reasonable care when making purchases online, refrain from providing the credit card number to unknown online merchants, and do not auto-save credit card number for any online account;
- c) maintain sufficient documentation of all purchases, including, but not limited to, charge receipts, original cash register slip or other detailed receipt, and invoices;
- d) provide documentation of all purchases to the Treasurer in a timely manner to ensure prompt payment;
- e) immediately notify his/her immediate supervisor and the Treasurer if the card is lost or stolen, or if s/he becomes aware of a data breach which may involve the card;
- f) refrain from allowing anyone else to use the credit card or account number;
- g) 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.

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

After use, Center credit cards are to be returned to the Treasurer along with appropriate receipt copies of all charges within 3 business days upon completion of any approved use.

Employees, when possible, shall include an original cash register slip or other detailed receipt (I.E., a receipt from a restaurant itemizing all purchases made), in addition to the receipt copy of all charges. In addition, employees shall include, shipping documents and receipts received with the merchandise.

Policy
BOARD OF EDUCATION
LICKING COUNTY EDUCATIONAL SERVICE CENTER

FINANCE

6423/page 3 of 3

Employees shall specify on the back of the receipt the following information:

- a) a brief description of the school-related purpose of the purchase;
- b) the names and affiliation of each attendee if a purchase is made on behalf of a group of individuals;

Failure to return Center credit cards and/or receipts within the above referenced time period may result in the suspension of credit card privileges and/or charges being deemed unrelated or unsubstantiated.

Employees shall be responsible for any and all unrelated or unsubstantiated purchases and shall be required to make full reimbursement to the Center within thirty (30) business days.

The Treasurer will keep a record/activity log of all credit card uses and review and approve all purchases to verify that the expenses are incurred in connection with Board-approved or school-related activities, are for the benefit of the Center, and serve a valid and proper public purpose prior to disbursing public funds for payment of such expenses.

Upon receipt of the appropriate documentation, credit card expenditures will be paid through the Treasurer's office.

The Treasurer will monitor the credit card account(s) and reconcile all credit card accounts of a monthly basis.

The Treasurer/CFO shall file a report with the Board annually, detailing all rewards received based on the use of the Center's credit card account.

© Neola 2018

Legal References: R.C. 2921.01, 2913.21, 2213.311

Adopted: July 20, 2004
Revised: January 11, 2005
January 10, 2019

Policy
BOARD OF EDUCATION

FINANCES

LICKING COUNTY EDUCATIONAL SERVICE CENTER

6440/page 1 of 1

COOPERATIVE PURCHASING

The Licking County Educational Service Center (ESC) Governing Board recognizes the advantages of centralized purchasing in that volume buying tends to maximize value for each dollar spent. The Board, therefore, encourages the administration to seek advantages in savings that may accrue to this ESC through joint agreements for the purchase of supplies, equipment, or services with the governing body(s) of other governmental units (such as M.E.C./LACA, etc.).

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

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

In accordance with State law (R.C. 4115.31 et seq.), the Superintendent shall encourage the staff to purchase reputable products and services which are available from the Ohio Industries for the Handicapped (OIH) when such products or services are needed by the district. The Superintendent is to maintain the current catalog provided by OIH and inform personnel who may be purchasing products or services of the catalog's current listings. However, the governing board authorizes the superintendent to purchase other products or services after considering the quality, price effectiveness, and timeliness of delivery needs of such products/services offered by any OIH program.

R.C. 125.04, 167.01 et seq, 3313.812, 4115.31 et seq 4115.35

Adopted: November 21, 2000

Policy
BOARD OF EDUCATION

LICKING COUNTY EDUCATIONAL SERVICE CENTER

FINANCES

6450/page 1 of 1

LOCAL PURCHASING

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

The Board authorizes the Superintendent to award purchases placed in accordance with law, this policy, and all policies of the Board otherwise applicable to local merchants when:

- A. their quotation is competitive;
- B. freight charges are a factor;
- C. maintenance service may be required; and
- D. promptness of delivery is a consideration provided that all statutes pertaining to public purchasing are duly observed.

R.C. 3313.33, 3313.51, 3319.21, 3329.10

Adopted: November 21, 2000

Policy

**BOARD OF EDUCATION
LICKING COUNTY EDUCATIONAL SERVICE CENTER**

FINANCES
6460/page 1 of 1

VENDOR RELATIONS

The Licking County Educational Service Center (ESC) Governing Board shall not enter a contract knowingly with any supplier of goods or services to this District under which any Board member or officer, employee, or agent of this School District 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 textbook of which s/he is the author and which has been properly approved for use in the schools of this District.

Board members and school personnel shall not accept any gifts or favors (over \$10.00 in value) from vendors, which 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. Such compensation includes, but is not limited to, cash, checks, stocks, or any other forms of securities, gifts such as televisions, Ipods, microwave ovens, computers, discount certificates, tickets, passes, and other such things of significant value. In the event that a Board member or member of the school staff receives compensation, albeit unsolicited, from a vendor, the Board member or employee 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. Employee accrual of personal frequent-flyer miles, hotel "bonus points," credit card "rewards," or any other reward under such affinity programs (including credit points or rewards directed to non-profit organizations) or other merchant "rewards" programs as a result of a Center purchase is strictly prohibited.

All sales persons, regardless of product, shall clear with the Superintendent's office before contacting any teachers, students, or other personnel of the ESC. 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.

In accordance with State law, a criminal background check is required of any non-teaching employee, including individuals employed by a private vendor/company under contract with the Board to provide essential school services, who will work within the Center in a position which does not require a license issued by the State Board of Education, is not for the operation of a vehicle for student transportation, but does involve routine interaction with a child or regular responsibility for the care, custody or control of a child.

R.C. 2909.33, 3319.391, 3319.392, Auditor's Bulletin 2000-006

Adopted: November 21, 2000

Revised: October 9, 2012

PAYMENT OF CLAIMS

The Licking County Educational Service Center (ESC) Governing Board directs the prompt payment of legitimate claims by suppliers of goods and services to the ESC. The Board authorizes the Treasurer to pay bills, payroll, and other obligations, within the Appropriations Resolution, as due each month, except for those items needing specific Board approval by law or by its policies.

When an invoice is received, the Treasurer or designee 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.

If the employee (as the originator of the purchase) cannot verify by submitting the packing list and/or receipt to the treasurer's office within ten (10) business days, the employee shall be responsible for the purchase and the purchase order shall be cancelled.

A monthly report of all payouts will be provided at each Board's regular meeting when such bills are to be approved. All payments shall be submitted for Board review in the form of a listing that includes the vendor name; the number and amount of the check; and the description of the item.

R.C. 9.11 et seq, 153.13, 3313.57
A.C. 117-2-17

Cross Ref: 6320 Purchases

Adopted: March 19, 1996
Revised: December 16, 2003

Policy
BOARD OF EDUCATION

LICKING COUNTY EDUCATIONAL SERVICE CENTER

FINANCES

6500/page 1 of 1

PAYROLL AUTHORIZATION

The most substantial payment of public funds for the operation of the School District is that which is made to the employees of the Licking County Educational Service Center (ESC) Governing Board for services rendered. To ensure that each person so compensated is validly employed by this ESC and that the compensation remitted fairly represents the services rendered, this policy is promulgated.

Employment of all ESC 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 ESC has been delegated to the Superintendent.

Each motion of the Board to employ or reemploy a staff member shall include the name of the individual, the position title, and the compensation to be paid as determined by a wage/salary guideline.

Cross Ref:	6500	Payroll Authorization
	6510	Pay Days
	6512	Payroll Deductions
	6512G	Qualifying Annuities

R.C. 9.40, 3319.36

Adopted: February 8, 2000

Policy
BOARD OF EDUCATION

LICKING COUNTY EDUCATIONAL SERVICE CENTER

FINANCES

6510/page 1 of 1

PAYDAYS

The Licking County Educational Service Center (ESC) Governing Board authorizes regular staff members to be paid twice a month, on the fifteenth and the last day of the month in twenty-four (24) equal pays per year.

If the fifteenth and /or last day of the month falls on a Saturday or Sunday, payday shall be the preceding Friday.

Cross Ref:	6500	Payroll Authorization
	6510	Pay Days
	6512	Payroll Deductions
	6512G	Qualifying Annuities

R.C. 124.553, 3319.36

Adopted: January 1, 1980

Revised: February 8, 2000

PAYROLL DEDUCTIONS

To the extent permitted by law, the Governing Board authorizes deductions to be made from and employee's paycheck upon proper authorization on the appropriate form for the following:

- A. Federal and State income tax
- B. Social Security or retirement contribution
- C. Municipal or school district income tax
- D. School Employees Retirement System (SERS)
- E. State Teachers Retirement System (STRS)
- F. U.S. Savings Bonds
- G. Qualifying Annuity
- H. Savings in a chartered credit union
- I. Contributions to charitable and not-for-profit corporations and community fund organizations
- J. 457 Deferred Compensation Plans
- K. Payment of group insurance premiums for a plan in which at least 5% of the Center's employees participate

To the extent permitted by law the Governing Board declares its willingness to enter into an agreement with any 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 approved by the Board, 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 Center'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 the provisions of law and may be terminated as said law provides upon notice in writing by either party. Employees shall notify the Treasurer's office in writing if they wish to participate in such a program.

Policy
BOARD OF EDUCATION

FINANCES

LICKING COUNTY EDUCATIONAL SERVICE CENTER

6520/page 2 of 2

In any case where the employee designates the agent, broker or company through whom the Board shall arrange for the placement or purchase of the tax-sheltered annuity, the agent, broker or company must execute a reasonable service agreement, information sharing agreement, and/or other similar agreements as determined at the discretion of the Center. The service agreement shall protect the Center from liability attendant to procuring the annuity (i.e., a “hold harmless”) in accordance with provisions of the Internal Revenue Code and any other applicable Federal or State law.

If the Center is required to provide the IRS an Audit of Annuity Accounts Report and there are fewer than five employees who have a contract with the agent, broker or company placing or purchasing the tax-sheltered annuity, the employee selecting that agent, broker or company shall split the annual fee for preparation of the report up to \$50.00 each.

R.C. 9.90, 9.91

Cross Ref:	6500	Payroll Authorization
	6510	Pay Days
	6520	Payroll Deductions
	6520 AG	Qualifying Annuities

Adopted: January 1, 1980

Revised: May 13, 2008

Administrative Guidelines

BOARD OF EDUCATION

LICKING COUNTY EDUCATIONAL SERVICE CENTER

FINANCES

6520AG/page 1 of 1

Qualifying Annuities [403(b)]

In accordance with the policy on payroll deductions, the following will be guidelines for administering annuity deductions:

1. The employee must place in writing a request to the Treasurer to deduct an annuity. All pertinent information about the annuity amounts are to be supplied on such request.
2. This process can be initiated any time of the year.
3. The list of approved annuities for the Licking County Educational Service Center shall be the following:
 - a. American Fidelity
 - b. Great American Life Insurance Company
 - b. **Voya** (ING Life Insurance Annuity Company)
 - c. ReliaStar Life Insurance Company
 - d. Massachusetts General (The Hartford/Hartford Life Insurance Co)
 - e. MetLife
 - f. VALIC

Cross Ref:	6500	Payroll Authorization
	6510	Pay Days
	6520	Payroll Deductions
	6520 AG	Qualifying Annuities

Revised: June 7, 2016

Policy
BOARD OF EDUCATION

FINANCES

LICKING COUNTY EDUCATIONAL SERVICE CENTER

6550/page 1 of 1

TRAVEL PAYMENT & REIMBURSEMENT

Travel expenditures incurred for official business on behalf of the Center shall be limited to those expenses necessarily incurred by an employee in the performance of a public purpose authorized, in advance, in accordance with administrative guidelines.

Payment and reimbursement rates shall be established by the Center. The Board shall establish mileage rates in accordance with Governing Board reviews and approval annually in policies 3440 and 4440, not to exceed the Federal IRS prescribed mileage rate.

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

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

Commercial airfare costs in excess of the basic least expensive unrestricted accommodations class offered by commercial airlines are unallowable except when such accommodations would (1) require circuitous routing; (2) require travel during unreasonable hours; (3) excessively prolong travel; (4) result in additional costs that would offset the transportation savings; or (5) offer accommodations not reasonably adequate for the traveler's medical needs. Instances of commercial airfare cost in excess of the basic least expensive unrestricted accommodations class must be justified and documented on a case-by-case basis.

Travel payment and reimbursement provided from Federal funds must be authorized in advance and must be reasonable and consistent with the center's policies and procedures. For travel paid for with Federal funds, the travel authorization must include documentation that demonstrates that (1) the participation in the event by the individual traveling is necessary to the Federal award; and (2) the costs are reasonable and consistent with the Center's travel policy.

All travel shall comply with the travel procedures and rates established that meet the cost allowability standards. To the extent that the Center's policy does not establish the allowability of a particular type of travel cost, the rates and amounts established under 5 U.S.C. 5701-11, must apply to travel under Federal Awards. Travel for dependents will not be allowable.

All travel shall comply with the travel procedures and rates established in policies 3440 and 4440.

Cross ref: 3440 Job Related Expenses (Professional Staff)
 4440 Job Related Expenses (Classified Staff)

Adopted: October 11, 2011
Revised: April 12, 2016

New Policy

CROWDFUNDING

This policy applies to the use of any form of crowdfunding utilizing an online service or website-based platform for the financial benefit or gain of the Educational Service Center – be it a specific classroom, grade level, department, school, or curricular or extracurricular activity. “Crowdfunding” refers to a campaign to collect typically small amounts of money from a large number of individuals to finance a project or fundraiser for a specific cause. Through the use of personal networking, social media platforms, and other internet based resources, funds are solicited or raised to support a specific campaign or project.

Crowdfunding activities aimed at raising funds for a specific classroom or school activity, including extracurricular activity, or to obtain supplemental resources (e.g., supplies or equipment) that are not required to provide a free appropriate public education to any students in the classroom may be permitted, but only with the specific prior approval of the Superintendent.

Adopted: February 14, 2017

Public School Support Fund

The Governing Board of Education has established a fund for accounting of revenue sources other than taxes or expendable trusts through its Public School Support Fund.

Therefore, the Board directs that Fund 018, Public School Support Fund, be established for the purpose of accounting for specific local revenue sources other than taxes or expendable trusts and expenses thereof from such fund as allowed in its statement of purpose.

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

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

All food items and beverages available for sale to students that will be consumed on school grounds during the school day as fund raisers, including items sold by student clubs and organizations, parent groups, or booster clubs shall comply with the current USDA Dietary Guidelines for Americans and the USDA Smart Snacks in School nutrition standards.

Fundraisers also include giving away goods or services, but suggests a monetary donation. All activities must be approved by the program administrator in advance. If approved, fundraisers that involve the sale of food items or beverages to students on campus must be consistent with regulations established in Policy 8500.

The Public School Support Fund anticipates the need to disburse funds for the purchase of goods and services to support individual buildings'/programs' curricular, co-curricular, and extra-curricular programs including, but not limited to, personal services, supplies, equipment, repairs and maintenance, contract services, and other objects in accordance with U.S.A.S. (Uniform School Accounting System).

Statement of purpose forms, goals for revenue source activities, budget and expense projections shall be submitted to the Superintendent annually.

Adopted: April 8, 2003

Revised: December 9, 2014

FORM
BOARD OF EDUCATION
FINANCES
LICKING COUNTY EDUCATIONAL SERVICE CENTER

6670 F1/page 1 of 1

STATEMENT of PURPOSE and BUDGET FORM

Period covered July1, 20__ to June 30, 20__

The Governing Board of Education has established a fund for fundraisers through policy 6670. One of the requirements is that “Statement of purpose forms, goals for revenue source activities; budget and expense projections shall be submitted to the superintendent annually.” This form may be amended during the year by submitting changes for Superintendent Approval.

School Building or Program _____ Date submitted: _____

Activity **Statement of Purpose** (what are you raising money for) _____

Goals and or objectives of this activity for school year indicated above: _____

Anticipated fund raisers (list by name)	Approximate date of fundraiser(s)
_____	_____
_____	_____
_____	_____

Estimated receipts:	Estimated Expenditures
_____	_____
_____	_____

Sponsor’s signature _____ Date: _____

Director’s signature: _____ Date: _____

Office Use Only:

__Approved __Disapproved _____
 Supt. signature date

 Treasurer’s signature date

Policy
BOARD OF EDUCATION

LICKING COUNTY EDUCATIONAL SERVICE CENTER

FINANCES

6680/page 1 of 1

RECOGNITION AND AWARDS

The purpose of this policy is to permit the Licking County Educational Service Center (ESC) Governing Board to honor its staff, former board members, and other non-employee persons by giving appropriate recognition for exemplary contributions to education. This policy permits the Board to honor these individuals with plaques, pins, awards, and other acknowledgments.

The Governing Board wishes to also honor staff, students, citizens, and advisory groups for their contributions with appropriate recognitions and authorizes administrators to purchase meals, refreshments, and /or other amenities to further the interests of the Educational Service Center and the Districts it serves. However, under no circumstances will public funds be expended for the purchase of alcoholic beverages.

Further, the Governing Board does hereby affirm that the expenses incurred as listed above do serve public purpose and facilitate our educational objectives. The Board believes that the “public purpose” served is the promotion of education, rapport with the business community, community relations, and the encouragement of non-employees to serve as volunteers as well as furthering other legitimate interests.

The Governing Board authorizes the establishment of appropriations code(s) for the implementation of this fund. The funds shall be made available from the Board Service Fund or general fund as appropriate.

This policy shall remain in effect until such time as changed by the Governing Board or by law.

Adopted: November 17, 1998

Revised: July 20, 2004

Policy
BOARD OF EDUCATION

FINANCES

LICKING COUNTY EDUCATIONAL SERVICE CENTER

6700/page 1 of 2

FAIR LABOR STANDARDS ACT

The purpose of this policy is to comply with the provisions of the Fair Labor Standards Act (FLSA) and its implementing regulations, unless the terms of an applicable collective bargaining agreement provide for greater rights to its employees. To that end, the Board shall pay at least the minimum wage required by the FLSA to all covered, non-exempt employees. Further, the Board recognizes the safe and efficient operation of the District may occasionally require covered, non-exempt employees to work more than forty (40) hours during a given work week. Work week is defined as a fixed and regularly recurring period of 168 hours (i.e., seven (7) consecutive twenty-four (24) hour periods). Covered, non-exempt employees who work (i.e., perform work on behalf of or for the benefit of the Board) more than forty (40) hours in a given work week will receive premium pay (i.e., one and one-half (1 1/2) times the employee's regular hourly rate of pay) for all hours worked in excess of forty (40).

The Superintendent or his/her designee shall determine the necessity and availability of overtime work. Overtime may be authorized only by a supervisor and will be used primarily to address circumstances of an emergency or temporary nature. Non-exempt employees who work overtime without prior approval from the Superintendent or a supervisor may be subject to disciplinary action up to and including termination.

Exempt employees are individuals who are exempt from the FLSA minimum wage and overtime provisions. These employees include persons employed in bona fide executive, administrative, and professional positions, and certain computer employees. To qualify for the exemption, employees generally must meet certain tests regarding their specific job duties and be paid on a salary basis at not less than \$913.00 per week (i.e., \$47,476.00 for a full time worker). The salary requirement does not apply to teachers. Exempt computer employees may be paid at least \$933.00 per week on a salary basis or on an hourly basis at a rate at least \$27.63 an hour. Being paid on a salary basis means an employee regularly receives a predetermined amount of compensation each pay period on a weekly, or less frequent basis. Additionally, the predetermined amount cannot be reduced because of variation in the quality or quantity of the employee's work. Subject to the exceptions listed below, an exempt employee must receive the full salary for any work week in which the employee performs any work, regardless of the number of days or hours worked.

Policy
BOARD OF EDUCATION

FINANCES

LICKING COUNTY EDUCATIONAL SERVICE CENTER

6700/page 2 of 2

Notwithstanding the fact that exempt school employees continue to meet the salary basis requirements and are not disqualified from exemption, even if the employee's pay is reduced, or the employee is placed on a leave without pay for absences for personal reasons or because of illness or injury of less than one (1) work-day because accrued leave is not used for specific reasons, the Board reserves the right to make deductions from the pay of otherwise exempt employees under the following circumstances:

- A. the employee is absent from work for one (1) or more full days for personal reasons other than sickness or disability
- B. the employee is absent from work for one (1) or more full days due to sickness or disability if the deduction is made in accordance with a bona fide plan, policy or practice of providing compensation for salary lost due to illness
- C. to offset amounts employees receive as jury or witness fees, or for military pay
- D. for unpaid disciplinary suspensions of one (1) or more full days imposed in good faith for workplace conduct rule infractions
- E. for penalties imposed in good faith for infractions of safety rules of major significance

The Board shall also not be required to pay the full salary in the initial or terminal week of employment, or for weeks in which an exempt employee takes unpaid leave under the Family & Medical Leave Act.

The Board recognizes that with limited legally permissible exceptions, no deductions should be taken from the salaries of exempt employees. If an exempt employee believes that an improper deduction has been made to his/her salary, the employee should immediately report this information to the Superintendent, Treasurer, or his/her immediate supervisor. Reports of improper deductions will be promptly investigated. If it is determined that an improper deduction has occurred, the employee will be promptly reimbursed for any improper deduction made, and the Board will make a good faith commitment to avoid any recurrence of the error.

The Board directs the Superintendent to distribute this policy to all employees upon initial hire and post on an annual basis.

29 U.S.C. 201 et seq.
29 C.F.R. Part 541

Adopted: December 13, 2005

Revised: February 14, 2017

SYSTEM OF ACCOUNTING

As specified by the Auditor of State, the Governing Board uses the Uniform School Accounting System as the chart of accounts by which it keeps an accounting of all Educational Service Center funds. The Center's financial records shall show sources of revenue, amounts received, amounts expended, and the disposition of public property. The Treasurer shall complete an accounting of all capital assets to protect the financial investment of the Center against catastrophic loss. Further, the Treasurer shall establish procedures and regulations necessary to properly account for capital assets and comply with generally accepted accounting principles (GAAP) and ensure that the Center's capital assets are properly insured.

The Center's system of accounting shall comply with all requirements of the Governmental Accounting Standards Board, Statement No. 54 (GASB 54). In accordance with GASB 54, the Center will report its fund balances in the following categories:

A. Nonspendable fund balance - amounts that cannot be spent because they are either (a) not in a spendable form (which includes items that are not expected to be converted to cash – e.g., inventories or prepaid amounts) or (b) legally or contractually required to be maintained intact (e.g., the corpus of an endowment fund).

B. Restricted fund balance - amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation.

C. Committed fund balance - amounts constrained to specific purposes by the Board; to be reported as committed, amounts cannot be used for any other purpose unless the Board takes action to remove or change the constraint.

D. Assigned fund balance - amounts the Board *intends* to use for a specific purpose but are neither restricted nor committed; intent can be expressed by the Board or by an official or committee to which the Board delegates the authority.

E. Unassigned fund balance - amounts that are available for any purpose; these amounts are reported only in the general fund.

The Board authorizes its auditors and directs its administrative staff to take all steps necessary to comply with the requirements of GASB 54. All revenue and funds will be designated to one of the above categories.

Policy
BOARD OF EDUCATION

LICKING COUNTY EDUCATIONAL SERVICE CENTER

FINANCES
6800/page 2 of 3

The Treasurer shall maintain a proper accounting of all Center funds. S/He shall ensure that expenditures are budgeted under and charged against those accounts that most accurately describe the purpose for which such monies are to be or have been spent. Wherever appropriate and practicable, salaries of individual employees, expenditures for single pieces of equipment, and the like shall be prorated under the several accounts that most accurately describe the purposes for which such monies are to be or have been spent.

The Treasurer shall receive all vouchers for payments and disbursements made to and by the Board, and preserve them for the statutorily required period.

The Treasurer shall implement procedures and practices that will determine: (1) Capitalization policies for Center assets (i.e., which assets will be capitalized and depreciated over their estimated useful life versus which assets will be expensed in year of purchase); (2) Methods for calculating annual and accumulated depreciation expense for assets including estimates for asset lives, residual asset values, and depreciation methodology; and (3) Procedures for recording gain or loss on sale of capital assets and proceeds from the sale of capital assets in compliance with GAAP Reporting of estimated cash values or replacement values to Center insurance providers.

The Treasurer shall report to the Board and Superintendent on a monthly basis (or more often if required) the revenues and expenditures in the fund reporting categories established above. The Treasurer's statement shall show revenues and receipts from whatever source derived, the various appropriations made by the Board, the expenditures and disbursements therefrom, the purposes thereof, the balances remaining in each appropriation, and the Center's assets and liabilities. At the end of the fiscal year such statement shall be a complete exhibit of the Center's financial affairs and may be published and distributed with approval of the Board.

The Treasurer is responsible for filing in a timely manner, on behalf of the Board, an annual report with the Auditor of State, on prescribed forms, that states the following: amount of collections and receipts, and accounts due from each source; amount of expenditures for each purpose; amount of the Center's debt, the purpose for which each item of such debt was created, and the provision made for the payment thereof, and other information as the Auditor prescribes on the form.

Simultaneous with filing the annual report with the Auditor, the Treasurer shall publish a notice in a newspaper published in the Center, or, if there is none, in a newspaper of general circulation in the Center. The notice shall state the financial report has been completed and is available for public inspection at the Treasurer's office.

In addition to the preceding annual report and notice, the Treasurer also shall file all required financial reports as specified by the Superintendent of Public Instruction.

Policy
BOARD OF EDUCATION

LICKING COUNTY EDUCATIONAL SERVICE CENTER

FINANCES
6800/page 3 of 3

The Board's annual financial statements shall also include information such as: (1) beginning and ending balances of capital assets; (2) beginning and ending balances of accumulated depreciation, and (3) total depreciation expense for the fiscal year.

Such reporting shall include description of significant capital asset activity during the fiscal year including: acquisitions through purchase or donation, sales or dispositions including the proceeds and gains or losses on the sale, changes in methods of calculating depreciation expense or accumulated depreciation, such as, estimates of useful life, residual values, depreciation methodology (e.g., straight line or other method).

Before implementing procedures or changing procedures, the Treasurer will review the proposed procedure with the auditor appointed by the Board to conduct the Board's financial audit. The procedures established shall comply with all statutorily required standards and generally accepted accounting procedures.

R.C. 117.38, 117.43, 3301.12(A)(2), 3313.29
A.C. Ch. 117-2
GASB #34
GASB #54

Adopted: July 17, 2014
Revised:

Policy
BOARD OF EDUCATION

LICKING COUNTY EDUCATIONAL SERVICE CENTER

FINANCES

6830/page 1 of 1

AUDIT

The Licking County Educational Service Center (ESC) Governing Board requires, after the close of the fiscal year (June-30th), that an audit of all accounts of the District be made annually by an independent, certified public accountant or the State Auditor's Office. The audit examination shall be conducted in accordance with generally-accepted auditing standards and shall include all funds over which the Board has direct or supervisory control.

Adopted: November 21, 2000