

Meigs Local School District



Purchasing Manual

Office of the Treasurer

TABLE OF CONTENTS

REIMBURSEMENTS

I.	Professional Development Approval Process.....	3
II.	Meals.....	3-4
III.	Transportation.....	4-5
IV.	Lodging.....	6
V.	Other Reimbursements.....	6-7

PURCHASING

I.	General Provisions.....	7-8
II.	Use of Credit Cards.....	8-10
III.	Recognition/Awards/Refreshments.....	10

BUDGETING

I.	Budget Preparation.....	11-12
II.	Appropriation Modifications.....	12-13

Example of Proper Receipt.....	14
--------------------------------	----

A. REIMBURSEMENTS

I. PROFESSIONAL DEVELOPMENT APPROVAL PROCESS

1. A Professional Activities/Meetings Application

- a. Each request for travel or conference funds should detail the reasons for the expenditures and should not be labeled in broad general terms.
 - b. Per IRS regulations all reimbursement of expenditures must be turned into the Treasurer's office within sixty (60) days of incurring or paying for the expense. Reimbursements submitted after sixty days will result in the district being required to process your reimbursement as a payroll deduction and taxed accordingly.
2. A Meigs Local School District purchase order dated prior to the event/travel showing the maximum amount of reimbursement. Reimbursement will not be made without a purchase order. Furthermore, staff members attending a professional development event should submit a valid proof of attendance (i.e. certificate, receipt of attendance).

II. MEALS

An itemized receipt is required for all meals with the restaurant's name printed on it (see example page 14).

1. A tear-off from the bottom of a restaurant check and/or credit card slip is **not an itemized** receipt.
2. According to Ohio state law, when meals are to be reimbursed, no sales tax, or alcoholic beverages can be reimbursed. This includes in-room/room service meals.
 - a. Reimbursements for meals will be paid according to the per diem rates published by the U.S. General Services Administration (www.gsa.gov). Reimbursement rates will vary depending on location of travel. Reimbursements will not exceed the published rates unless approved by the Superintendent or the Superintendent's designee.
 - b. All meal receipts must show the restaurant name and date, and must be itemized. Staff members must write on the back of the receipt the conference being attended and who the meal was for.
 - c. There is no reimbursement of meals for one-day workshops, meetings, and/or similar professional development events.

2. If hosting a workshop, meeting, and/or similar professional development event, hospitality expenditures may be permitted with written pre-approval from the Superintendent or the Superintendent's designee.
 - a. Staff members may not use 018, 200 or any other student based account to pay for hospitality expenditures.
 - b. Staff members that receive pre-approval for hospitality expenditures must provide the detailed receipt, along with a list of all attendees and the purpose of the professional development event.
 - c. Tips will be reimbursed ONLY IF the total amount of your receipt is less than the per meal allotment. Tips/gratuity may not exceed more than 18% of the cost of the meal.
 - d. Any alcohol purchases are required to be on a SEPARATE tab/check. The school District will not reimburse any employee for alcohol.
 - e. Under normal conditions, officers and professional staff members traveling on official business shall provide themselves with sufficient funds of their own for ordinary expenses.
 - f. If a meal is provided during the course of a professional development event, employees will not be permitted to submit for reimbursement of a meal that was incurred during the time of the event. *(I.e. if a district employee attends a seminar that provides a lunch, the employee cannot request reimbursement for a meal that was incurred at a restaurant during the lunch hour)*
 - g. Only meals will be reimbursed – not between meal snacks, beverages, etc. Only a maximum of three meals will be reimbursed per day, not to exceed three receipts.

III. TRANSPORTATION

Funding for transportation expenses will be based on the least expensive and reasonable mode of transportation which is available. Those doing such traveling should be expected to exercise the same care in incurring expenses that they would in travel on personal business of their own. Excessive and unnecessary travel will not be approved or reimbursed.

1. Travel by car

The rate of reimbursement for mileage will be equal to the IRS established rate at the time of travel, not to exceed a maximum reimbursement of \$400. Travel should be by the most direct and economical route. If you choose driving in lieu of flying; you will be reimbursed the lesser of the two expenses.

- a. Mileage reimbursements to participants will be calculated from the participant's place of residence or the participant's home building to the workshop/event whichever distance is less costly for the District. Mileage to the site will be determined by using MapQuest, the Ohio Department of Transportation, or a similar mileage tool.
- b. If more than one person is approved to attend the same workshop/event and transportation will be by car, it is encouraged that they travel together. A mileage allowance will be provided for one vehicle (up to three participants), for two vehicles (up to six participants), etc. Mileage will be reimbursed to the driver only.

2. Air Fare/Flight

For official travel other than by automobile, tickets may be purchased by the District in advance, upon request of the individual involved.

- a. All air travel must be approved by building principal and Superintendent at least 45 days prior to planned departure date. The Superintendent may approve emergencies/urgent travel on a case by case basis. The Superintendent will present any air travel paid from the General Fund (001) to the Board of Education as soon as applicable for their approval. Air Travel paid from grant funds will not need to be Board approved.
- b. District employees are prohibited from using or accruing points on his or her frequent flyer mileage account for a reimbursable flight.
- c. Employees may only fly coach; you will not be reimbursed for extra leg room, business class or first class.

IV. LODGING

1. Lodging will be reimbursed at a reasonable per diem rate only if the Superintendent or designee provides prior approval, and the meeting has a clear business setting and is directly related.
2. In order to receive the appropriate sales tax treatment, employees and Board Members need to obtain the tax exemption documents from the Treasurer's office before registering at the hotel. Sales taxes on "In-State" hotel bills are not reimbursable.
3. Whenever possible, if overnight accommodations are necessary and there are two or more participants, funding for lodging will be provided on the basis of two participants per room providing that they are of the same sex or married unless pre-approved by the Superintendent or the Superintendent's designee.
4. Lodging cancellation policies requiring more than a 24 hour notice to avoid monetary penalties will not be held or booked using a District credit card. {i.e. exception, OSBA Capital Conference}
5. District employees are prohibited from using their personal hotel incentive/reward accounts to earn points for lodging expenses incurred by the District.

V. OTHER REIMBURSEMENTS

1. Ground transportation {i.e. taxis, shuttles, mass transit, etc.) incurred for travel to and from the airport, professional development event center and the hotel will also be reimbursed with a receipt. The District will not provide reimbursement for ground transportation to restaurants, social events and activities that are not directly involved with the professional development event.
2. All toll expenses, baggage/parking fees incurred as a result of travel directly related to the professional development event will be reimbursed if a receipt is provided.
3. Car rental, if approved prior to travel, will be reimbursed but the corresponding mileage will not be reimbursed. In the event that car rental is approved, staff members will only be reimbursed for a base model (economy) car. Gasoline will be reimbursed only with prior approval and the appropriate detailed travel log and corresponding itemized gasoline receipts.
4. Phone calls are not reimbursable unless specifically related to the Meigs Local School District.

5. Additional services (i.e. internet access) are not reimbursable. If a staff member will need internet access during their professional development event, they should request a "hot spot" internet access device from the Technology Department.
6. No reimbursement will be made if gift cards or bonus coupons are used at the time of purchase.
7. Discounts will be subtracted from the total before reimbursement.
8. Items being submitted for reimbursement must be on a separate receipt from any personal purchases.

B. PURCHASING

I. GENERAL PROVISIONS

1. All purchases shall be by purchase order processed through the Treasurer's office.
2. The Treasurer shall be the contracting agent for all financial obligations.
3. The Treasurer shall be responsible for encumbering the funds as soon as the purchase order has been issued.
4. Employees are forbidden to use the name of the District or tax exempt number while using personal funds on any discounts provided to the District, or any other means relating to a personal purchase through the District. They are to make clear to any District supplier from whom they are purchasing an item, that it is a personal purchase by the employee using personal funds and is not associated with the District. Failure to abide by this provision could lead to disciplinary action.
5. It is prohibited to have any goods shipped to an employee's residence.
6. Blanket purchase orders for goods or services are valid only for the ninety (90) day time period and amount indicated on the purchase order. Extension of the commitment beyond that time and/or amount shall be confirmed by a new purchase order. Blanket purchase orders must be approved by the Treasurer before they are issued.
7. The Treasurer will determine the most appropriate method of obtaining prices for items/services or groups of items/services which are not subject to formal bidding procedures.

8. Purchases of supplies, materials, and equipment items costing more than the amount stipulated in Board policy 6320 must be obtained through competitive, sealed bids and be approved by the Board.
9. Annual purchase order cut-off dates shall be established by the Treasurer.
10. Personal gains through purchases made with District funds are strictly prohibited. Personal gains include but are not limited to:
 - a. bonus points on personal accounts
 - b. frequent flyer miles
 - c. reward programs
 - d. fuel perk programs

Any receipt turned in for reimbursement may be denied if any of the items documented above are listed as being earned or credited on the invoice, receipt, or voucher.

Payment will only be to the person that incurs the expense.

II. USE OF CREDIT CARDS

The Board of Education recognizes the convenience and efficiency afforded by the use of District credit cards. Credit cards, however, shall not be used in order to circumvent the general purchasing procedures established by State law and Board policy. As such, employees are required to abide by the following guidelines when using a District credit card.

1. All credit cards issued to and in the name of the Meigs Local School District shall be held and supervised by the Treasurer.
2. District credit cards may not be used for such things as alcohol, entertainment, room service charges, or other personal items or services. Moreover, personal gain from the use of District credit cards, such as bonus points or frequent flyer miles, is strictly prohibited.
3. Subject to the discretion of the Board and the approval of the Treasurer, District 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 eighteen percent (18%) but excluding alcoholic beverages, since the purchase of such beverages clearly fails to serve a valid and proper public purpose;
 - e. safety and security reasons in connection with a student field trip, competition, and/or other activity or event; and/or
 - f. other purchases approved by the Treasurer on a case-by-case basis.
4. District credit cards shall not be used for personal purchases or expenditures not allowed under the District purchasing policies, administrative guidelines or the treasurer's office purchasing manual.

In particular, District credit cards shall not be used for expenses that are not incurred in connection with Board-approved, or school-related activities, are not for the benefit of the District, and do not serve a valid and proper public purpose.

Use of District credit cards in an unauthorized or illegal manner may result in revocation of credit card privileges, 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.

5. Employees requiring the use of District credit cards shall request (in writing) such cards from the Treasurer.
6. The District is a nonprofit political subdivision of the State of Ohio. Tax exemption forms shall be utilized and are available in the Treasurer's Office.
7. Upon receipt of a District credit card, employees shall:
- a. Inform merchants that the purchase is for "official School District business" and is not subject to State or local sales tax. However, if the merchant fails to waive the tax, the employee shall pay it. For large purchases where the merchant refuses to waive the tax, the employee shall present a tax exemption form.
 - b. Maintain credit card in a secure fashion and prevent unauthorized charges to the 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's office in a timely manner to ensure prompt payment.

- a. Immediately notify his/her immediate supervisor and the treasurer's office if the card is lost or stolen.
- b. Refrain from allowing anyone else to use the credit card or account number.
- c. Refrain from splitting the cost of an invoice or purchase in order to evade the credit card established, pre-approved single purchase limits, monthly spending limits, and/or funds availability.
- d. The Treasurer's office 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 District, and serve a valid and proper public purpose prior to disbursing public funds for payment of such expenses.
- e. Upon receipt of the appropriate documentation, credit card expenditures will be paid through the treasurer's office. Failure of an employee to submit credit card receipts in a timely and accurate manner can result in his/her credit card being revoked.
- f. The Treasurer's Office will monitor the credit card account(s) and reconcile all credit card accounts on a monthly basis.
- g. If an employee is terminated or resigns, then s/he must return the credit card and also will remain responsible for any inappropriate use.

III. **RECOGNITION/ AWARDS/REFRESHMENTS**

Board Policy 6680 allows for the Board of Education to honor its staff, former Board members and other non-employee persons with plaques, pins, token retirement gifts and awards, and other amenities. Such purchases must serve a proper public purpose, which the Board of Education defines as 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 interests.

Prior to making such purchases, employees must receive written pre-approval from the Superintendent or the Superintendent's designee.

1. Staff members may not use 018, 200 or any other student based accounts to pay for such items listed above, unless specifically authorized by the treasurer's office.

2. Staff members that receive pre-approval for staff recognition/awards, meals, etc., must provide the detailed receipt, along with a list of all attendees and the purpose of the professional development event.

C. BUDGETING

I. BUDGET PREPARATION

The budget is formulated under the direction of the Treasurer using a cooperative budgeting system. Prior to the start of the budget preparation process, using the following timeline:

BUDGET PLANNING CALENDAR

On or before January 15 – A public hearing is held for the presentation of the proposed operating budget for the FY commencing the following July 1 to the Board of Education by the superintendent and treasurer. This required tax budget includes proposed expenditures and the revenue that is projected to be necessary to finance the funds. The purpose of this budget document is to reflect the need for existing (or increased) tax rates...unless waived by Meigs County Budget Commission.

On or before January 20 – The Board-adopted budget is filed with the county budget commission for review and approval...unless waived by Meigs County Budget Commission.

February prior to upcoming Fiscal Year – The superintendent and treasurer meet to discuss the budget as a whole, and allocate a per pupil budget amount for building level budgets. In addition, department level budget allocations are established in accordance with budget planning policy and budget development processes. Allocations for each building and department are submitted to the administrators to allocate among their funds based on department/building budget planning meetings.

- a. These will be entered on a spreadsheet and distributed to each principal/department supervisor with the discretionary allocation highlighted along with the parameters and constraints they are to use in developing spending plans for the coming year.
- b. Each principal/supervisor is to review the current year's budget (appropriations) to determine whether the allocations for the current year are being used effectively and whether changes need to be considered when making allocations for the coming year.
- c. If the assigned allocations are an increase over the previous year, each principal, as the budget manager for his/her school, will, in collaboration with the staff, allocate the increase in ways that will best accomplish the school's instructional goals. All increases as well as all changes in percentages of the allocation from the previous year are to be justified in terms of the effect on the accomplishment of the school's instructional goals.

- d. If there is a decrease in per student allocation, the principal and staff are to apportion the decreases among the discretionary categories and justify the apportionment in terms of impact on accomplishing the school's instructional goals.
- e. Operating department supervisors are to apportion their department's allocation and justify the apportionment in terms of the effect on accomplishing the department's operational goals.
- f. The superintendent and treasurer, in collaboration with the administrative team, shall make a compilation of the budget requests and determine how any increase in revenues will be allocated.

On or before April 15 - Building and department administrators submit proposed building/ department budgets to treasurer and superintendent.

On or Before May 30 - Board of education adopts updated Five Year - General Operating Fund Forecast for the FY that started the previous July.

On or before July 1- The treasurer must present the temporary appropriations to the Board of Education effective until no later than October 1 of each year resolution is legally enacted by the Board of Education at the fund level of expenditures, which is the legal level of budgetary control.

On or before September 30- Board of Education approves permanent appropriations (annual budget) for the FY that started July 1. The completed tentative budget shall contain the amount budgeted for proposed expenditures by pre-established legal level of control.

The proposed expenditures and anticipated revenues in the budget shall be supported by explanatory schedules or statements of sufficient detail to judge the validity thereof, including a statement which shall summarize the aggregate of revenues, appropriations, assets, and liabilities of each fund, in balanced relations.

On or before October 31 - Board of education adopts Five Year - General Operating Fund Forecast for the FY that started July 1.

II. APPROPRIATION MODIFICATIONS

Department heads and building level administrators are permitted to request appropriation modifications of non-payroll/benefit related account, unrestricted line items from their respective budgets.

Budget Modifications above the Legal Level of Control – If the budget modification is not within the Board approved legal level of control (i.e. fund level, function level, etc.), the budget modification request will require Board approval before the funds can be moved.

Budget Modifications with the Legal Level of Control – For budget modifications within the Board approved legal level of control, the staff member requesting the budget modification

must submit their request via email to the treasurer's office. Upon the approval of the treasurer, the funds will be moved between the respective accounts.

All budget modification requests are required to meet the following criteria, prior to being approved by the treasurer:

1. Each budget line item being moved must be above \$100.
2. Budget modifications must be within the same Fund and unless specifically authorized, must be within the same special cost center.
3. All budget modifications requests for the current fiscal year must be received prior to May 1st.
4. Funds for restricted accounts will not be permitted to be modified by department and building level staff. Examples of restricted accounts include but are not limited to:
 - a. Utility Accounts (Gas, Electric, Phone}
 - b. Tuition Accounts (Charter Schools, Special Education Tuition, Vouchers, etc.)
 - c. Accounts budgeted for specific expenses (nursing, auditing service, contracted management expenses)
 - d. All payroll and benefit related accounts

EXAMPLES OF ITEMIZED & NON ITEMIZED RECEIPTS

ITEMIZED RECEIPT EXAMPLE

Texas Roadhouse
2890 Columbus Lancaster R
Lancaster, OH 43130

Server: TABBY 02/10/2015
Table 312/2 5:33 PM
Guests: 1 70007

Coke 2.49
Early Dine Special 0.00
Sirloin Steak 6oz 8.99
Smothered 1.99

Complete Subtotal 13.47
Subtotal 13.47
Tax 0.91
Total 14.38
Balance Due 14.38

Sing up for Delicious gifts
Delivered to you by email
Name: _____
Birthday: _____
Email: _____

Have A Legendary Day!

NON ITEMIZED RECEIPT EXAMPLE

LAMS GARDEN INC.
936 E STATE ST
ATHENS, OH 457010000

02/12/2015 15:34:59

CREDIT CARD
MC SALE

CARD # XXXXXXXXXXXXXXXXXXXX
INVOICE
SEQ #: 0022
Batch #: 001727
Approval Code: 043459
Entry Method: Swiped
Mode: Online

MDSE/SERVICES \$25.84

TIP _____

TOTAL AMOUNT _____

CUSTOMER COPY