

**OFFICE OF THE TREASURER  
FEDERAL HOCKING LOCAL SCHOOL DISTRICT  
STEWART, OHIO**

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**PROCEDURES**

**Financial Reports/Appropriations Monitoring**

The Treasurer will present on a monthly basis to the Board of Education the fund report, revenue report, appropriation report, warrants issued and SM2M.TXT report. Such reports will allow the Treasurer/Board of Education to monitor revenues and expenditures on a frequent basis. When revenues and expenditures exceed or are less than estimated on a quarterly basis, the Treasurer will amend certificate of estimated resources accordingly. The Treasurer should review the appropriations report on a monthly basis, at a minimum, to ensure that the amounts entered into the system agree with appropriations approved by the Board of Education.

**Deficit Fund Balances**

The Treasurer reviews fund balances on an ongoing basis. Occasionally, deficit fund balances are present, usually due to a delay in receipts for that particular fund. The reimbursement method of Federal Grant funds through the Ohio Department of Education creates this scenario for most grant funds. The Treasurer reviews these funds periodically and creates project cash requests for any funds that report a negative fund balance. During this review, the Treasurer decides what the anticipated time of receipt is and, if necessary, requests from the Board an approval of an advance of funds.

**Receipting of Deposits**

In addition to Board Policy DM, the following procedures will be in effect for deposits.

- All deposits for Amesville Elementary are made by the Building Secretary or the Building Principal. Deposits are made to the Community Bank directly. Collections for any purpose should be taken to the Building Secretary for deposit. The building Secretary retains the yellow copy of all deposits for their records. Deposits should be kept in the school safe until they are taken to the bank. All preparers of the deposit tickets should initial them, indicating their accuracy.

- All lunchroom deposits for Coolville Elementary are prepared by the Head Cook. All other deposits are prepared by the Building Secretary. Collections for any purpose should be taken to the Building Secretary. All preparers of deposit tickets should initial them, indicating their accuracy. Deposits should be enclosed in a locked money bag. Deposits will be picked up by the Treasurer's office daily. The Building Secretary retains the yellow copy of all deposits for their records. All deposits should be kept in the school safe until they are taken to the bank.
- All lunchroom deposits for the Middle/High School are prepared by the Head Cook or Cashier. Deposits are taken directly to the Treasurer's office on a daily basis. All other collections should be taken to the Building Secretary for deposit. The Secretary prepares the deposit and retains the yellow copy of the deposit slip for their records. All preparers of daily deposits should initial the deposit ticket indicating their accuracy. Deposits should be taken to the Treasurer's office on a daily basis.

### **Bad Checks**

In to addition to Board Policy DGB, the Treasurer will inform building Secretaries, Head Cooks, Athletic Director or Student Activity Advisors of returned checks. The person in charge of the deposit will contact the individual to arrange payment before additional steps are deemed necessary. The Board authorizes the Treasurer to forward all non-sufficient fund checks that remain uncollected for 60 days to the local law enforcement agency. If uncollected, the local law enforcement agency advances the claim to the Athens County Prosecutor.

### **Purchasing Procedures**

Purchasing procedures are outlined in Board Policy DJF. All purchases should be initiated by a purchase requisition. Requisitions should state the person initiating the purchase, the company the purchase is being made from, the quantity and amount estimated for the purchase, the account to be charged and approvals from the Supervisor and/or Principal, Superintendent and Treasurer. The Treasurer or the Treasurer's assistant will convert all requisitions into a Purchase Order. Once the PO is created, the Treasurer's office will provide the requisitioning employee with the purchase order number to place the order. **IF AN ORDER IS PLACED WITHOUT THE PROPER APPROVALS, THE EMPLOYEE MAY BE RESPONSIBLE FOR PRESENTING THE PURCHASE TO THE BOARD OF EDUCATION FOR APPROVAL AND/OR PAYING FOR THE PURCHASE.**

Invoices that exceed the Purchase Order amount are reviewed by the Treasurer or the Treasurer's Assistant. If the issue is a company error, they will contact the company. If the issue is due to a change in an order, the Treasurer's office will contact the requisitioner and review options for correcting the purchase.

### **New Vendors/W-9 Forms**

As new vendors are added to the Accounting System, the Assistant Treasurer will send an IRS form W-9 to the address on file. These forms will be required to be completed before payment is made to the vendor. The Treasurer will also be responsible for reviewing the Finding For Recovery Database kept by the Auditor of State for all new Vendors. A copy of the screen will be printed and kept in a file.

### **Direct Deposit**

#### **Payment of Board Members**

Board members will be paid twice per year, if requested. The option will be available to be paid in June and December.

### **Cross Training of Personnel**

Employees within the Treasurer's Office will be cross trained to perform the activities outside daily routines. Rotation of duties will be observed once training is complete on an as needed basis. On an every other month basis, the Treasurer and Assistant Treasurers will rotate the reconciliation of the payroll and general accounts.

### **Investments**

In addition to Board Policy 6144, 99% of interest received from depository accounts will be receipted in the school general fund. 1% of the interest will be placed in the food service program. Interest will be deposited on a monthly basis.

### **Inventories (Fixed Assets)**

In order to comply with generally accepted accounting principals (GAAP) required by the State Auditor's office and to better maintain records of current inventory, the Board does establish the following policy.

The District shall maintain a fixed asset system. The fixed asset system shall maintain sufficient data to permit the following:

1. the preparation of the year-end financial statement in accordance with GAAP;
2. adequate insurance coverage and
3. control and accountability.

The Superintendent is responsible for the development and maintenance of the fixed asset accounting system. The Superintendent and Treasurer in cooperation with the District administrative/supervisory personnel shall develop procedures to insure compliance with this policy. To insure control over entity property, the principal or his/her designee in each building shall be assigned fixed asset responsibilities and be designated to work with the Treasurer and Superintendent.

Fixed assets for GAAP reporting purposes are defined as those tangible assets of the entity with a useful life in excess of five years and an initial cost equal to or exceeding \$1,000. Fixed assets for the purpose of maintaining adequate insurance coverage are defined as those tangible assets of the entity with a useful life in excess of five years and an initial cost equal to or exceeding \$500. Fixed assets for the purpose of control and accountability are those tangible assets of the entity with a Treasurer may contract with an appraisal company to perform an updated physical inventory. The updated inventory will be used as the District's fixed asset inventory for GAAP purposes, disregarding the obsolete listing.

Capital leased fixed assets and fixed assets which are jointly owned shall be identified and recorded on a fixed asset system.

For depreciation purposes, the District's professional appraiser shall determine the useful life of each asset acquired.

#### Supplies and Materials Inventory Policy

Supplies and materials are tangible assets with an estimated useful life of less than one year that generally change shape with use. Supplies and materials include, but are not limited to, custodial supplies, bus garage supplies, paper, instructional supplies, workbooks, fuel in storage tanks. Inventory will include items exceeding a \$50.00 threshold of like items in the same room.

Inventories of government funds and proprietary funds are stated at cost using the FIFO (first in first out) costing method. Inventories are determined by physical count. Inventory in governmental funds consists of expendable supplies held for consumption. The cost has been recorded as expenditures at the time individual inventory items were purchased rather than when consumed (purchase method).

The measurement unit for inventory item is the purchase quantity. Item with less than \$50.00 value are not to be inventories.