

ADMINISTRATION OF FEDERAL GRANT FUNDS

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

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

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

The financial management systems and internal controls must provide for:

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

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

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

1. Allowability

Costs charged by the school system to a federal grant must be allowed under the individual program and be in accordance with the cost principles established in the Uniform Guidance, including how charges made to the grant for personnel are to be determined. Costs will be charged to a federal grant only when the cost is:

- A. reasonable and necessary for the program;
- B. in compliance with applicable laws, regulations, and grant terms;
- C. allocable to the grant;
- D. adequately documented and
- E. consistent with District policies and procedures that apply to both federally-funded and non-federally funded activities.

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

Controls include time and effort reporting in accordance with Uniform Guidance and the requirements of ODE or other applicable pass-through-entity. Records are sufficient to verify that time spent and compensation (including salary and benefits) are allocable to the fund.

2. Cash Management and Fund Control

Payment methods must be established in writing that minimize the time elapsed between the draw-down of federal funds and the disbursement of those funds. Standards for funds control and accountability must be met as required by the Uniform Guidance for advance payments and in accordance with the requirements of ODE or other applicable pass-through-entity.

3. Procurement

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

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

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

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

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

4. Conflict of Interest and Mandatory Disclosures

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

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

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

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

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

5. Equipment and Supplies Purchased with Federal Funds

Equipment and supplies acquired with federal funds will be used, managed, and disposed of in accordance with applicable state and federal requirements. Property records and inventory systems shall be sufficiently maintained to account for and track equipment that has been acquired with federal funds.

6. Accountability and Certifications

All fiscal transactions must be approved by the Treasurer/designee who can attest that the expenditure is allowable and approved under the federal program. The Treasurer submits all required certifications.

7. Monitoring and Reporting Performance

The Treasurer will establish sufficient oversight of the operations of federally supported activities to assure compliance with applicable federal requirements and to ensure that program objectives established by the awarding agency are being achieved. The District submits all reports as required by federal or state authorities.

[Adoption date:]

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

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

NOTE: The Uniform Grant Guidance (Uniform Guidance) issued by the U.S. Office of Management and Budget(OMB) effects certain federal funds districts receive. The guidance replaces requirements found in eight previous OMB circulars. The new rules are in effect for new or noncompeting continuation grants awarded by OMB on or after December 26, 2014.

Districts are required to have written policies and/or procedures for the management of funds subject to the Uniform Guidance. The new rules are outlined in the Code of Federal Regulations (CFR) 200 and emphasize the need for strong financial management systems and other internal controls aimed at controlling fraud, waste and abuse. Internal controls should be in compliance with guidance in the Standards for Internal Control in the Federal Government issued by the comptroller general of the United States or the Internal Control Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission.

This policy is intended to establish the board's expectations and standards for financial management and other internal controls necessary to meet its obligations when receiving federal grant awards. This policy is not sufficient, alone, to serve as the written controls required by the Uniform Guidance. It must be supplemented with written procedures that should be developed by the Treasurer.

FISCAL ACCOUNTING AND REPORTING

The District's accounting system is in conformance with the Uniform School Accounting System as prescribed by the Auditor of State for the use of school districts, federal funds also are accounted for in conformance with the Uniform Guidance issued by the U.S. Office of Management and Budget and any applicable state requirements. The Treasurer is responsible for receiving and properly accounting for all funds of the District.

The financial records must be adequate to:

1. guide the making or deferring of purchases, the expansion or curtailing of programs and the controlling of expenses;
2. ensure that current data are immediately available and in such form that routine summaries can be readily made;
3. serve as a guide to budget estimates for future years and to hold expenditures to the amounts appropriated and
4. show that those in charge have handled funds within limitations established by law and in accordance with Board policy.

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

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

Financial records are permanent. The supporting documents may be destroyed only in compliance with the provisions of State law and in compliance with specifications of the District's records commission, the Auditor of State and the Ohio History Connection.

[Adoption date:]

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

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

NOTE: In 2013, the biennium budget, House Bill (HB) 59, made changes to financial reporting requirements for schools; these changes are found in Ohio Revised Code Section (RC) 3301.07. The first significant change extended the reporting requirements to new entities. The financial reporting requirements now apply not only to each district board of education and each governing board of an educational service center, but also to each governing authority of a community school established under RC 3314, each governing body of a STEM school established under RC 3328 and each board of trustees of a college-preparatory boarding school established under RC 3328. The new format must show, both at the district and at the school building level, revenue by source, expenditures for salaries, wages and benefits of employees, showing such amounts separately for classroom teachers, other employees required to hold licenses issued pursuant to RC 3319.22 through 3319.31 and all other employees, expenditures other than for personnel, by category, including utilities, textbooks and other educational materials, equipment, permanent improvements, pupil transportation, extracurricular athletics, and other extracurricular activities and per pupil expenditures. New requirements include information on total revenue and expenditures, per pupil revenue and expenditures for both classroom and non-classroom purposes, as defined in RC 3302.20, in the aggregate and for each subgroup of students, as defined by RC 3317.40, that receives services provided for by state or federal funding.

HB 59 also places a new requirement on the Ohio Department of Education (ODE). Once all required financial information has been reported, ODE must make these reports available in such a way that allows for comparison between financial information included in these reports and financial information included in reports produced prior to July 1, 2013. Further, ODE must post these reports in a prominent location on its website and must notify each school when the reports are made available.

Federal funds must be accounted for in conformance with the Uniform Guidance issued by the U.S. Office of Management and Budget. Districts are required to have written policies and/or procedures for the management of funds subject to the Uniform Guidance. The rules are outlined in the Code of Federal Regulations (CFR) 200 and emphasize the need for strong financial management systems and other internal controls aimed at controlling fraud, waste and abuse. Internal controls should be in compliance with guidance in the Standards for Internal Control in the Federal Government issued by the comptroller general of the United States or the Internal Control Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission.

INVENTORIES (Fixed Assets)

The Board, as steward of this District's property, recognizes that efficient management and full replacement upon loss requires accurate inventory and properly maintained property records.

The District conducts a complete inventory every five years, by physical count, of all District-owned equipment and supplies. For purposes of this policy, "equipment" means a unit of furniture or furnishings, an instrument, a machine, an apparatus or articles that retain shape and appearance with use, is nonexpendable and does not lose its identity when incorporated into a more complex unit. For the purpose of items purchased with federal funds, equipment is defined as tangible, nonexpendable personal property having a useful life of more than one year with an acquisition cost of \$5,000 or more per unit.

This District maintains a fixed asset accounting system. The fixed asset system maintains sufficient information to permit:

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

Each building and additions to buildings are identified by location or name and are described in detail (e.g., size, number of floors, square footage, type of construction, etc.) with the value shown for all individual structures.

Fixed equipment is inventoried by building, floor and room name or number; each item is to be listed individually. (Leased equipment that the District will eventually own must be inventoried.)

Movable equipment is inventoried by building, floor and room name or number; each item is to be listed individually. Any item that has a model number or serial number has that number noted in the description for full identification. All items assigned to a building are the building administrator's responsibility.

All equipment purchased, after the initial inventory, as capital outlay or replacement with a cost of \$1,000 or more and with an estimated useful life of five years or more is tagged and made part of the equipment inventory. For fixed asset reporting purposes, all equipment in excess of \$1,500 is used. Property records and inventory systems are sufficiently maintained to account for and track equipment acquired with federal funds.

A listing of all equipment is maintained for each building and department. This listing is updated annually by the close of the school year, or not later than the second Friday in June of each year. This updated listing is then submitted to the Treasurer's office for audit purposes.

A physical inventory of supplies is taken at the building level at the close of the school year, or not later than the second Friday in June of each year. This updated listing is then submitted to the Treasurer's office for audit purposes.

The Treasurer shall be assisted by principals, directors, supervisors and professional and support staffs in the performance of this function.

[Adoption date:]

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

CROSS REF.: DECA, Administration of Federal Grant Funds

NOTE: The Uniform Grant Guidance (Uniform Guidance) outlined in 2 CFR 200 sets forth the requirements for management of equipment purchased with federal funds. Districts should ensure district procedures for inventory accurately track items purchased with federal funds.

THIS IS A REQUIRED POLICY

PURCHASING

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

The Board declares its intention to purchase competitively without prejudice and to seek maximum educational value for every dollar expended. The purchase of items and services found on lists from the appropriations resolution requires no further Board approval, except in those instances in which, by law or Board policy, the purchases or services must be put to bid.

(Permissive language next two paragraphs only.)

The Board authorizes "blanket" purchase orders to be issued for generic supplies for up to . Blanket purchase orders will not extend beyond the current fiscal year.

A "super blanket":purchase order for a "specific" permitted purpose and in an amount not to exceed the line-item appropriation and fund, is authorized to the extent permitted by law. The permitted purpose list may include payment for accountants, architects, attorneys, construction project managers, consultants, engineers, fuel oil, gasoline, food items and utilities. The super blanket purchase order may not extend beyond the current fiscal year.

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

The Board assigns to the purchasing agent the responsibility for the quality and quantity of purchases made. The Treasurer is charged with the responsibility to ensure that all purchases do not exceed appropriations and that they are consistent with the approved educational goals and programs of the District and are conducted in accordance with all applicable laws and regulations.

[Adoption date:]

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

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

NOTE: The board may wish to dictate certain limits depending on the control it wishes to maintain. It could limit the open purchase order amount on a consultant contract but may not find it necessary when it comes to restricting utilities or food items payments that are staples to district operations.

BIDDING REQUIREMENTS

Contracts for construction or demolition of buildings or for any improvements or repairs that exceed \$50,000 are let only after bids are solicited and received in compliance with law. However, if the Board enters into a shared savings contract for energy conservation measures, competitive bidding is not required. The Board may also enter into an installment payment contract for the purchase and installation of energy conservation measures and competitive bidding does not need to be utilized if two-thirds of the entire Board adopts a resolution stating that competitive bidding does not apply to the project.

(Permissive language)

If feasible, all purchases over \$ _____ and not otherwise subject to required federal or state bidding requirements will be based on price quotations submitted by at least three vendors. These quotations are treated confidentially until the deadline for filing is past; thereafter, they are public information.

The Business Manager assembles the proper specifications and makes the necessary arrangements for public bidding and price quotations. The Treasurer receives the bids and price quotations and records them. The Business Manager makes his/her recommendations to the Board. Upon approval by the Board, he/she processes purchase orders to those bidders awarded contracts and notifies the other bidders of the results of the bidding.

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

[Adoption date:]

LEGAL REFS.: ORC 9.314
153.01; 153.12 through 153.14; 153.50 through 153.56
3313.372; 3313.373; 3313.46
3319.04
2 C.F.R. Part 200

CROSS REFS.: DJ, Purchasing
DJF, Purchasing Procedures
ECF, Energy Conservation
FA, Facilities Development Goals
FEF, Construction Contracts Bidding and Awards

NOTE: In a district lacking a business manager, the superintendent normally acts in that capacity.

Beginning September 12, 2008, the second required notice for competitive bidding will change to allow advertising for bids in trade or other publications and by electronic means, such as posting on the district's website.

Districts must continue to comply with State law regarding competitive bidding, including the requirement that school districts place the first notice in a newspaper of general circulation.

When using federal funds, districts also are subject to the Uniform Grant Guidance requirements.

Senate Bill 3 (2016) increased the bidding threshold from \$25,000 to \$50,000.

PURCHASING PROCEDURES

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

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

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

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

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

[Adoption date:]

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

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

NOTE: The Uniform Grant Guidance (Uniform Guidance) issued by the U.S. Office of Management and Budget (OMB) effects certain federal funds districts receive.

The guidance replaces requirements found in eight previous OMB circulars. The new rules are in effect for new or noncompeting continuation grants awarded by OMB on or after December 26, 2014.

Districts are required to have written policies and/or procedures for the management of funds subject to the Uniform Guidance. The new rules are outlined in the Code of Federal Regulations (CFR) 200 and emphasize the need for strong financial management systems and other internal controls aimed at controlling fraud, waste and abuse. Internal controls should be in compliance with guidance in the Standards for Internal Control in the Federal Government issued by the comptroller general of the United States or the Internal Control Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission.

PURCHASING PROCEDURES

General

1. The Board designates the Superintendent as the purchasing agent.
2. No person may commit the District to a purchase without the appropriate certificate of the availability of funds.
3. The materials, equipment, supplies and/or services to be purchased are of the quality required to serve the function in a satisfactory manner, as determined by the requisitioner and the Superintendent.
4. It is the responsibility of the requisitioner to provide an adequate description of the item(s) purchased so that the purchasing agent may be able to prepare the specifications and to procure most expeditiously and economically the desired commodity and/or service. A source of supply should be included on requisitions for specialty or unusual items.
5. No requisitioner shall knowingly restrict competition or otherwise preclude the most economical purchase of the required items.
6. When a low bidder proposes an alternate as equal to that specified, it is the responsibility of the Treasurer to determine whether the proposed substitution is, in fact, an equal. Such decision is based on his/her evaluation and that of the requisitioner. In the case of disagreement between the requisitioner and the Treasurer, either party may refer the matter to the Superintendent.

Requisitions

1. The District establishes a standardized requisition procedure to allow authorized representatives to submit requests for the purchase of materials and supplies.
2. The following are designated as “requisitioner”; that is, they are authorized to issue requisitions against stipulated segments of budgetary appropriations: the Superintendent, administrative assistants, directors, supervisors and building principals. Each requisitioner is responsible for limiting his/her requisitions to the appropriate amounts.
3. Only District-approved methods or forms are used for requisitioning.

4. A requisition, to be considered appropriate for processing, meets the following requirements:
 - A. contains adequate information and
 - B. is approved by and bears the signature of an authorized requisitioner.
5. All approved requisitions are submitted to the Treasurer.
6. After a purchase order has been issued by the Treasurer's office, the number of the purchase order is recorded on the requisition.
7. After processing, the original copy of the requisition is filed in the office of the Treasurer.

Purchase Orders

1. Purchase orders are prepared by the appropriate person and at a minimum include the following essentials:
 - A. a specification that adequately describes to the supplier the characteristics and the quality standards of the item required;
 - B. a firm, quoted, net-delivered price, whenever possible (unit prices are shown);
 - C. clear delivery instructions, including place and time;
 - D. appropriate account code number or appropriation code and
 - E. the Treasurer's certificate of available revenue and appropriation.
2. Purchase orders use an identifiable tracking system established by the District and contain the appropriate number of copies to meet District needs.
3. Verbal confirmation orders subject to subsequent confirmation by a written purchase order may be issued only in cases in which a bona fide emergency situation exists that can be handled only by this procedure:
 - A. whenever possible, a purchase order number should be given to the supplier and
 - B. a confirming requisition is issued immediately, marked "confirmation" indicating the purchase order number, if one was given.

Federal Procurement

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

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

To determine which procurement method type is required, the District will *(customize to reflect process: this may be looking back at the last three years of expenditures for the specific goods or services to be purchased with federal funds and determine which method of procurement/contract type is applicable to the individual situation based on the average aggregate amount spent with the providing vendor in a fiscal year or another similar method)*.

Once the threshold has been established, the following methods of procurement will be used for all purchases of goods and services made with federal funds.

1. Micro-purchases are purchases up to \$10,000 and may be made in accordance with District purchasing procedures when the costs are reasonable. To the extent practicable, these purchases are distributed equitably among qualified suppliers.
2. Small purchase are purchases between \$10,000 and \$250,000. Prior to authorizing the purchase, the District will try to obtain price rates or quotations from a minimum of _____ vendors or providers. The District will obtain these price rates or quotations by *(customize to reflect process: this may include but not be limited to obtaining quotes verbally, in writing, using price listing on websites, etc.)*.
3. Sealed bid procedures are used for firm fixed price contracts over \$250,000 and is used as the preferred method for construction projects. Bids are solicited from an adequate number of known suppliers, which cannot be less than two responsible bidders. The District will solicit bids by *(customize to reflect process: this may be using the same process you use for bidding projects with state funds)*. The contract will be awarded to the lowest responsive and responsible bidder.
4. Competitive proposals are used for all purchases over \$250,000 for which sealed bids are not appropriate and must be used for architectural or engineering services. Contracts entered into for competitive proposals may be fixed-price or cost-reimbursement. The District will publicize a request for proposal by *(customize to reflect process: this may be using various advertising methods including but not limited to, radio, internet, newspapers, etc.)*. The District will evaluate proposals in order to award the contract to the most advantageous proposal when considering cost

and other factors. The District will evaluate proposals by *(customize to reflect District process, many districts have a score sheet they use for these purposes and may refer to this and include specific details on items factored in)*.

5. Sole source procurement is used only when the goods or services are only available from a single source; a public exigency or emergency exists; there is inadequate competition and the applicable pass through entity approves this method.

All solicitations:

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

The District maintains records to verify selection of procurement type and compliance with applicable procurement requirements.

(Approval date:)

NOTE: Most boards wish to review and give their official stamp of approval to procedural regulations involving purchasing, but a board would not be expected to develop such a regulation—only to review and approve it.

The Uniform Grant Guidance (Uniform Guidance) outlined in 2 CFR 200 outlines the requirements for purchases made through the use of federal funds. Districts should ensure district procedures for purchasing items with federal funds are in compliance with the Uniform Guidance requirements. Districts may customize this regulation to reflect district practice for purchases made with federal funds.

SCHOOL PROPERTIES DISPOSAL

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

The Board recognizes that most unused property of the District has value and that it may be practical to retain such property for a period of time. Once property is no longer needed for school purposes currently or in the future, it should be slated for disposal at the Superintendent's discretion. State law governs the retention and method of disposal of the Board's property. Property and goods purchased with federal funds also are subject to the disposal requirements outlined in the Uniform Guidance issued by the U.S. Office of Management and Budget. Therefore, the Board follows the procedures required by the various statutes governing the disposal of real or personal property.

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

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

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

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

For the disposal of property that is not governed by Federal law, the Ohio Revised Code or administrative regulations, the administration is required to follow these procedures:

1. The Superintendent determines that the value of the property is less than the value set forth in State and Federal law when applicable. The property is valued pursuant to a reasonable method as determined by the Superintendent.

2. The Board is notified when real or personal property is no longer needed for school purposes and directs that the property be sold.
3. The Superintendent sells the property to a start-up community school or by bids, general sale, negotiated sale or by trade as determined by the Superintendent or the Board on an individual basis.

[Adoption date:]

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

CROSS REFS.: DECA, Administration of Federal Grant Funds
FL, Retirement of Facilities

NOTE: Any appraisals required by State law must be not more than one year old. Intent to purchase or lease the property must be provided to the treasurer, and only qualified parties who have provided intent to purchase or lease to the treasurer may participate in any resulting auctions or lotteries.

If the district decides to dispose of real property that exceeds \$10,000 in value, the district must offer to sell it to all community schools, college-preparatory boarding schools, STEM and STEAM schools in the district's territory for one period of 60 days. No later than 60 days after the district board makes the offer, interested governing authorities, boards of trustees or governing bodies must notify the district treasurer of the intent to purchase. High-performing community schools as defined by State law are given first priority. If more than one governing authority of a high-performing community school notifies the district treasurer of its intention to purchase the property, the board must conduct a public auction. Only the schools that notified the district treasurer are eligible to bid at the auction. If a high-performing community school is not interested in buying the property within 60 days of the offer, the Board is then required to proceed with offers from all other start-up community schools, college-preparatory boarding schools, STEM or STEAM schools within the district's territory. The sale must be for fair market value, as determined by a property appraisal not more than one year old. If more than one community school, college-preparatory boarding school, STEM or

STEAM school notifies the district treasurer of its intention to purchase within 60 days, the district will conduct a public auction. Only entities that notified the district treasurer of their intent to purchase are eligible to bid at the auction. If no community schools, college-preparatory boarding schools, STEM or STEAM schools notify the district treasurer of their intention to purchase the property within 60 days, the district may dispose of the real property in compliance with State law.

HB 64 (15) prohibits community schools and college-preparatory boarding schools that have purchased property from districts from, within five years, selling any property purchased under the requirement that districts first offer unused school facilities to them. The provision goes on to add the exception that such property may be sold within five years, only if it is sold or transferred to another community school or college-preparatory boarding school located within the territory of the district that initially made the sale.

There are specific requirements regarding “unused school facilities.” Unused school facilities are facilities that have been used by the district for school operations since July 1, 1998, but have not been used in that capacity for two years. Districts also must offer these facilities to all community schools, college-preparatory boarding schools, STEM and STEAM schools within the district for sale or lease for one period of 60 days. First priority is to be given to the governing authorities of high-performing community schools that are located within the territory of the district.

If, within 60 days, a high-performing community school notifies the district treasurer in writing of the intention to purchase the district must sell the real property to that community school for fair market value. If, within 60 days, more than one high-performing community school states its intention to purchase by notifying the treasurer, the district must hold a public auction for the real property, but it is important to note that the district is not required to accept a bid for less than the appraised fair market value of the property, as determined by a property appraisal that is not more than one year old. Only qualified parties who notified the treasurer of their intent to purchase the property are eligible to bid at auction. If no high-performing community schools are interested in the property, the district must then proceed with offers from other start-up community schools, college-preparatory boarding schools, STEM and STEAM schools within the district’s territory.

If, within 60 days, a high-performing community school notifies the district treasurer of its intention to lease unused facilities, the district must lease to that community school for the fair market value of a lease on the real property. Fair market value is determined by a property appraisal that is not more than one year old. If, within 60 days more than one high-performing community school within the

district sends a written intention to lease the property to the treasurer, the district must conduct a lottery to determine to which community school the district will award the lease. Only qualified parties who have notified the treasurer of their intent to lease the property will be eligible for participation in the lottery. If no high-performing community schools are interested in the property, the district treasurer must then proceed with offers from other start-up community schools, college-preparatory boarding schools, STEM and STEAM schools within the district's territory. It is important to note that districts that have outstanding leases with entities other than community schools or college-preparatory boarding schools may renew those leases. Nothing in the statute affects current lease agreements between the district and other entities.

If, within 60 days, no community school, college-preparatory boarding school, STEM or STEAM school accepts the offer to lease or buy the property, the district may offer it to any other entity, in accordance with State law.