

Nordonia Hills City Schools Fiscal In-Service

Wednesday, August 10, 2016



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Budgetary Basics

- ▶ Budgetary Dates to Know –
 - ❖ Handout showing deadlines is for your reference.
- ▶ Budgets should be closely monitored.
- ▶ Insufficient funds in a budget line will not allow a requisition to be processed.
- ▶ For a budget adjustment: Administrator needs to email Treasurer indicating the budget line and amount to be adjusted.
- ▶ Once adjusted, an email will be sent back.
- ▶ **ALWAYS START WITH A REQUISITION BEFORE SPENDING ANY MONEY.**



Purchasing Basics

- ▶ Requisition **REQUIRED PRIOR TO** making **ANY** purchases.
- ▶ Phone or On-Line orders cannot be made without a P.O. in your **POSSESSION.**
- ▶ Once P.O. is received, place the phone or on-line order referencing the P.O. number.
- ▶ Vendor invoices must include the district's P.O. number.
- ▶ Purchasing food for small groups, submit a list of attendees with copy of P.O. when requesting payment.
- ▶ Purchasing gift cards for recognition, submit a list of recipients with signatures acknowledging receipt with copy of P.O. when requesting payment. (Audit requirement)



Vendor Numbers

Need a new vendor number:

Send email request to Accounts Payable (A/P)

An email response will be sent within four hours

Include the following information:

- ❖ Complete name and address (including zip code)
- ❖ Indicate what the vendor will be doing (W-9 requirement)
- If a W-9 is required, A/P will send the form to the vendor
- A new vendor will not be assigned a vendor number until a completed W-9 form is received in A/P.
- In case of absence, Melissa and Jen can assign vendor numbers.



Requisition Basics

- ▶ A requisition is required **PRIOR TO** any expenditure of public funds. **NO EXCEPTIONS.**
- ▶ **DO NOT** backdate requisitions to circumvent the purchasing policy.
- ▶ **ALL** requisitions will be approved through the work flow in the newly implemented R.A.M program
- ▶ “Per attached” is permitted **ONLY** if the number of items exceed 12. The list must be scanned and attached to the requisition. Do not send separately.
 - ❖ Items being purchased must be clearly identified (for example, art supplies, music, etc.)



Requisition Basics:

- ▶ If less than 12 items, the requisition must state:
 - ❖ Each individual item being purchased
 - ❖ Item Code Number to match up to the packing slip
 - ❖ Unit price
 - ❖ Price extension
- ▶ Resolve any issues PRIOR TO inputting a requisition.
- ▶ Regardless of the number of items, **ALL** equipment purchases must be on a separate requisition to a single vendor clearly describing all equipment with item numbers. (Inventory requirement)



Requisition Process

- ▶ Requisitions are converted to P.O.s each morning
EXCEPTION: Month end closing
- ▶ **ALL** purchase orders will be **MAILED**, unless otherwise indicated in the body of the requisition.
- ▶ Include clear & concise instructions
- ▶ Treasurer's office does not fax or email P.O.s.
- ▶ For faxing or emailing, clearly indicate on the requisition stating "Return to building and/or employee" – Be specific. P.O. will be returned as indicated.
- ▶ Lack of instructions on the P.O. may result in a duplicate order



Cloning of Requisitions

CAUTION:

Be careful to verify the:

- ❖ Vendor number
- ❖ Budgetary line
- ❖ Detailed description of purchase
- ❖ Specific instructions, if necessary



Open Purchase Orders

- ▶ Prepare a requisition stating “open P.O.”
 - ▶ Identify the specific items being purchased (e.g.. art supplies, custodial materials, etc.)
 - ▶ Identify the specific period of time (what month(s))
 - ▶ Provide a reasonable not to exceed estimate.
- ▶ Open P.O.s must be monitored at the building level. If no purchases have been made, sign appropriate copy of P.O. to close the P.O.
- ▶ To monitor open P.O.s, use USAS web to query the P.O. number to view payments made.
- ▶ If the amount exceeds 10% of the amount on the P.O., a supplemental requisition is required to avoid an after the fact purchasing situation.
- ▶ Open P.O. cannot be used for purchases made for May and June
- ▶ **NO equipment purchases can be made on an open P.O. (Equipment purchases require a separate requisition to a specific vendor).**
- ▶ ALL open P.O.s will be closed May 1 – **NO EXCEPTIONS.**



Multi-Vendor Purchase Orders

- ▶ A “multi-vendor” P.O. should be used when supplies or materials are purchased from different vendors using the same account.
- ▶ Prepare a requisition stating “multi-vendor P.O.”
 - ▶ Identify specific items
 - ▶ Specific period of time (what month(s))
 - ▶ A not to exceed amount.
- ▶ All “multi-vendor” P.O. must be closed **PRIOR** TO May 1st
- ▶ A new purchase order must be generated for the services of May/June once the open PO is closed by May 1st
- ▶ Send green copy of P.O. for “partial” pay or blue copy when order is “complete” to pay and close.



Multi-Vendor Purchase Orders

- ▶ Used when multiple vendors may be needed to make the purchases (e.g., classroom supplies from Holcombs, Target and WalMart).
 - ▶ When payment is requested, be sure the vendor name and number is listed on the copy of the P.O.
 - ▶ Attach original, itemized and dated receipt(s) to the appropriate copy of the P.O. (green, if partial and blue, if complete)
- ▶ Under **NO** circumstances should a requisition be back dated.
 - ▶ Back dated requisition will be denied and returned without processing.
- ▶ **Keep in Mind:** A P.O. is not a summary of an order---IT IS A DETAILED LIST OF ITEMS BEING ORDERED
 - ▶ If “List to Follow” is in the body of the requisition then the list **MUST** be scanned as an attachment to the requisition.
 - ▶ “List to Follow” is permitted if the number of items exceed 12.



Return of Merchandise

- ▶ The return of **ANY** merchandise, **REQUIRES** authorization from A/P **BEFORE** making the return.
- ▶ Be sure to include:
 - ❖ Merchandise being returned (be specific)
 - ❖ P.O. number used for the purchase
 - ❖ Reason why the merchandise is being returned
 - ❖ Who is making the return
 - ❖ How the merchandise will be returned and when
- ▶ Returned merchandise, as a result of a duplicate order, may require another requisition to pay for any additional shipping costs.
- ▶ This will assist in dealing with credits for specific P.O.s



Purchase Orders No Special Instructions

Dates on PO's &
Dates on Invoices
Brief Discussion

Can Lead to Now
& Then's &
Potential Need
for BOE Action

- ▶ White copy mailed to the vendor
- ▶ Blue, Green & Pink copies sent back to the originator
- ▶ If "DO NOT MAIL" is left off the P.O., the P.O. will be mailed and may cause a duplicate order creating additional shipping costs which will be charged to the originator's budget line.



EXAMPLE B

Send All Invoices To: PURCHASE ORDER

NORDONIA HILLS BOARD OF EDUCATION
 9370 OLDE EIGHT RD. PHONE (330)467-0580
 NORTHFIELD, OHIO 44067 FAX (330)467-3692
 ATT: ACCOUNTS PAYABLE

Date	Purchase Order No.
09/14/2015	304080
	Page
	001

THIS PURCHASE ORDER NUMBER MUST APPEAR ON ALL INVOICES, PACKING SLIPS, BILLS OF LADING AND LABELS.
 INSTRUCTIONS TO VENDOR:
 1. OBTAIN APPROVAL BEFORE SHIPPING IF PRICE VARIES BY MORE THAN 5%.
 2. SHIP FREIGHT PREPAID.
 3. INVOICE IN ORIGINAL CASE.
 4. NO DAMAGED SHIPMENTS ACCEPTED.

S 265288
 S NORTH COAST COUNCIL
 S 5700 WEST CANAL ROAD
 S CLEVELAND OH 44126
 D
 T O

S NORDONIA HILLS CITY SCHO
 I TREASURER'S OFFICE
 P 9370 OLDE EIGHT ROAD
 T NORTHFIELD OH 44067
 O

ATTN: JEN KNAPP
TERMS:
REQUISITION NO. TR11927

UNFULFILLED OR INCOMPLETE ORDERS CANCELLED 90 DAYS FROM PO DATE UNLESS OTHERWISE STATED.

QUANTITY	UNIT	DESCRIPTION	UNIT PRICE	AMOUNT
1		Product A	50.00	50.00
1		Product B	50.00	50.00
1		Product C	50.00	50.00
1		Product D	50.00	50.00
PAGE TOTAL				200.00

Purchase Orders OK to PAY

Example C

Send All Invoices To: **PURCHASE ORDER**

To: NORDONIA HILLS BOARD OF EDUCATION
9370 OLDE EIGHT RD. PHONE (330)467-0580
NORTHFIELD, OHIO 44067 FAX (330)467-3692
ATT: ACCOUNTS PAYABLE

Date	Purchase Order No.
09/14/2015	304080
	Page
	001

THIS PURCHASE ORDER NUMBER MUST APPEAR ON ALL INVOICES, PACKING SLIPS, BILLS OF LADING AND LABELS.
INSTRUCTIONS TO VENDOR:
1. OBTAIN APPROVAL BEFORE SHIPPING IF PRICE VARIES BY MORE THAN 5%.
2. SHIP PREPARED BEST WAY.
3. INVOICE IN TRIPLICATE.
4. NO DAMAGED SHIPMENTS ACCEPTED.

I S S U E D T O: 265288
NORTH COAST COUNCIL
5700 WEST CANAL ROAD
CLEVELAND OH 44125

S H I P T O: NORDONIA HILLS CITY SCHO
TREASURER'S OFFICE
9370 OLDE EIGHT ROAD
NORTHFIELD OH 44067

ATTN: JEN KNAPP
TERMS:
REQUISITION NO. TR11927

UNFILLED OR INCOMPLETE ORDERS CANCELLED 90 DAYS FROM PO DATE UNLESS OTHERWISE STATED.

QUANTITY	UNIT	DESCRIPTION	UNIT PRICE	AMOUNT
1		Product A - Registration	50.00	50.00
1		Product B	50.00	50.00
1		Product C	50.00	50.00
1		Product D	50.00	50.00
OK to PAY per Jen Knapp				
PAGE TOTAL				200.00

- ▶ Blue and yellow copies of P.O. stay in the Treasurer's office indicating payment is approved
- ▶ Any additional paperwork must be scanned and attached to the requisition through RAM (e.g., registration form, hotel confirmation, etc.)
- ▶ A check will be sent to the vendor for registrations. Be sure to include name of registrant and deadline.
- ▶ Hotel checks will be returned to the employee along with a tax exempt form. Be sure to indicate # of days, amount excluding Ohio sales tax and deadline.



Purchase Orders Special Instructions

Example D

Send All Invoices
PURCHASE ORDER

Date	Purchase Order No.
09/14/2015	304080
	Page
	001

To: NORDONIA HILLS BOARD OF EDUCATION
 9370 OLDE EIGHT RD. PHONE (330)467-0580
 NORTHFIELD, OHIO 44067 FAX (330)467-3692
 ATT: ACCOUNTS PAYABLE

THIS PURCHASE ORDER NUMBER MUST APPEAR ON ALL INVOICES, PACKING SLIPS,
 BILLS OF LADING AND LABELS.
 INSTRUCTIONS TO VENDOR:
 1. OBTAIN APPROVAL BEFORE SHIPPING IF PRICE VARIES BY MORE THAN 5%.
 2. SHIP PREPAID BEST WAY.
 3. INVOICE IS THE MASTER.
 4. NO DAMAGED SHIPMENTS ACCEPTED.

I 265288
 S NORTH COAST COUNCIL
 S 5700 WEST CANAL ROAD
 U CLEVELAND OH 44125
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S
 H NORDONIA HILLS CITY SCHO
 I TREASURER'S OFFICE
 P 9370 OLDE EIGHT ROAD
 NORTHFIELD OH 44067
 T
 O

ATTN: JEN KNAPP
 TERMS:
 REQUISITION NO. TR11927

UNFULFILLED OR INCOMPLETE ORDERS CANCELLED 90 DAYS FROM PO DATE UNLESS OTHERWISE STATED.

QUANTITY	UNIT	DESCRIPTION	UNIT PRICE	AMOUNT
1		Product A	50.00	50.00
1		Product B	50.00	50.00
1		Product C	50.00	50.00
1		Product D	50.00	50.00
<i>Check needs to go to XXN Building</i>				
PAGE TOTAL				200.00

- ▶ Clear & specific instructions should be put in the body of the requisition



Examples of Inadequate Information on Reqs

- ▶ PO for Mileage should read “Mileage for (specific period of time – what month, or quarter) and Employee Name”
- ▶ PO for Class Supplies should read “Colored pencils, Blue Construction Paper, Black Paint, Canvas etc.”
 - ❖ Be specific - include item code, description, color, etc.
 - ❖ List of items greater than 12 can be scanned and uploaded into RAM
- ▶ PO for Conference should read “conference for employee name, date(s) and include registration deadline.
- ▶ PO for T-shirts should read “10 medium blue shirts, 15 large blue shirts for _____(specific reason for shirt)
- ▶ Return Check & PO to _____ building and/or employee
 - ▶ NEEDS to be much more specific--- do you want just the PO, the check, both etc.



Equipment Purchases

- ▶ Require a requisition **PRIOR TO** making purchase
- ▶ Cannot be made on an “Open” P.O.
- ▶ Regardless of the number of items to be purchased, a requisition needs to itemize a clear and concise description of items, including item number, description of merchandise, cost per item, cost extension.
- ▶ Equipment **MUST** be purchased by using a budget line with a 6_ _ object code.
- ▶ All equipment purchased requires inventory tags for audit purposes.



On-Line/Phone Purchases

- ▶ Requires a requisition **PRIOR TO** making purchase
- ▶ Must provide the P.O. number when placing the order.
- ▶ On-Line and/or phone orders need to be attached to the Requisition via RAM to Accounts Payable
- ▶ Emailed confirmation is acceptable documentation only if it includes a detailed description of the items purchased. A detailed quote is also acceptable.
- ▶ If ordered by phone, a detailed list of items purchased should be attached to the P.O. through RAM and forwarded to A/P.
- ▶ Always include item code numbers to facilitate matching packing slip, invoice and P.O.



“After the Fact” Purchases

- ▶ An “After the Fact” purchase is a purchase made without following the District’s purchasing policy, either for a service or merchandise.
- ▶ Simply stated, an invoice was received from the Vendor without a valid P.O on file in the Treasurer’s office.
- ▶ **REQUIRES** special handling before payment is made.
- ▶ P.O. is stamped with a Now and Then statement indicating when the purchase was made and when the P.O. was issued.
- ▶ However, if the purchase totals more than \$3,000, it requires the Board of Education to approve the purchase.
- ▶ **REQUIREMENT:** Prior to the Board meeting, a written explanation from the administrator describing why the District’s purchasing policy was not followed is required.²⁰



Giant Eagle Purchases

- ▶ Require a requisition **PRIOR TO** making purchase made out to “Giant Eagle”
- ▶ Purchaser **MUST** obtain the Giant Eagle card from the office along with the Advantage card.
- ▶ Individual employee advantage cards cannot be used. Employee will be responsible for entire purchase if procedures are not followed.
- ▶ Employee must verify that **NO** taxes are on the receipt. The district is tax exempt.
- ▶ There is a limit on the amount of purchases allowable at Giant Eagle.



Invoices

- ▶ ALL invoices must reference the P.O. number.
- ▶ Required authorization to pay invoices should be sent to A/P
 - ▶ Signed and dated packing slips
 - ▶ If no packing slip was provided, indicate on the copy of the P.O.
 - ▶ Appropriate copy of P.O. signed
(green copy, if partial; blue copy, if complete)
- ▶ Audit requirement
- ▶ Blue copy of P.O. signifies the items and/or services received are satisfactory, ready to pay and close the P.O.
- ▶ Be sure there are no items on back order.
- ▶ ***Once the P.O. is closed, it will not be reopened. A new requisition will be necessary.***



Check Processing

- ▶ All documents must be into Accounts Payable by Monday AM for processing
- ▶ Checks are processed on Thursdays & can not be distributed until Friday due to Positive Pay
- ▶ Positive Pay
 - ▶ Security protection program through First Merit. All checks issued are uploaded into First Merit and processed by next business day.
 - ▶ Checks that present prior to Friday AM are rejected and won't be accepted by First Merit
- ▶ ***PLAN ACCORDINGLY***
 - ▶ Check RAM often to see where the PO is in approval if you need a check quickly
 - ▶ Users can see where at in the purchasing process a PO is
 - ▶ Remember checks are not distributed until Friday



Refunds

- ▶ Refunds need to be documented on the “Request for Refund” form
 - ▶ All requests must include the following:
 - ▶ Date & Reason of Request
 - ▶ Student Name & whom the check is payable to
 - ▶ Vendor # & Refund Address
 - ▶ Amount of Refund & Account where money was deposited with proof of payment
- ▶ Treasurer’s office must be notified of all refunds
- ▶ EZ Pay Refunds
 - ▶ If an EZ Pay refund is removed in DASL, still need to notify the Treasurer’s office so the accounting correction can be made



Cash Management:

- ▶ All deposits must use a district deposit slip
- ▶ Pay-in or Daily Deposit Summaries indicating the source of the deposit must be sent to the Treasurer's Office for deposit verification with bank statement.
- ▶ Deposits < \$1,000 - made within 3 business days.
- ▶ Deposits > \$1,000 - made within 24 hours.
- ▶ Cash must be in a **LOCKED** safe during school day.
- ▶ Cash should not be kept in desk drawers or file cabinets.
- ▶ Cash should never be taken home or left in the building over the weekend.



Petty Cash

- ▶ Authorized by the Board of Education to make small, emergency purchases; not to circumvent the District's purchasing policy.
- ▶ Must remain intact throughout the school year (may be audited)
 - ▶ Cash plus receipts should always equal petty cash total amount
 - ▶ Account must reconciled and verified
- ▶ Maximum allowable expenditure is \$20.
- ▶ Cash must be locked in the building safe at all times.
- ▶ Must be monitored and replenished, as needed.
- ▶ Voucher forms must be signed, dated and returned to the Treasurer's office along with the appropriate copy of the P.O.
- ▶ June 12, 2017, Petty Cash funds must closed using a separate deposit slip and pay-in indicating "Close of Petty Cash Fund. Do not include in a general deposit.



Change Funds

- ▶ Authorized by the Board of Education
- ▶ Money received at the beginning of the year as start up money.
- ▶ Must remain intact throughout the school year.
- ▶ **CANNOT** be used to make purchases.
- ▶ May be audited throughout the year for compliance.
- ▶ Closed by June 12, 2017 using separate deposit and Pay-In form stating “Close Change funds for specific building”.



Professional Meeting Guidelines:

Requisitions are **REQUIRED** prior to attendance for:

- ❖ **Registration** – include complete conference name, vendor address, name of registrant, date and place of meeting, cost and deadlines. Upload two copies of registration form into R.A.M.
- ❖ **Hotel** – include complete name and address of hotel, number of night(s), cost per night, name of registrant(s), hotel confirmation number. Be sure to ask for the **Government rate** when making the reservation and indicate the District is exempt from Ohio sales tax.
- ❖ A school check and tax exempt form will be returned to the employee attending prior to the meeting.
- ❖ A detailed hotel receipt is required when the employee returns to work and should be attached to the blue copy of the P.O.



Employee Reimbursements

- ▶ Requisition required **PRIOR TO** making any purchase.
- ▶ Receipts should be totaled at the building level
 - ❖ Authorized amount to pay should be included on the copy of the P.O. (green copy, if partial payment or blue copy, if complete)
 - ❖ A/P verifies the total on all receipts to check for compliance
 - ❖ **No** sales tax will be reimbursed. Tax exempt forms are available in all building offices.
 - ❖ **No** personal items should be included on the receipt. It should be school items only.



Employee Reimbursements

- ▶ A requisition is required indicating allowable purchases
 - ❖ **Mileage** (use Mapquest to estimate) IRS rate used. Calculate mileage from building to conference or from home to conference whichever is the **shorter** distance.
 - ❖ **Meals** (\$66 per day, dinner maximum is \$34 including tip) Meals will not be reimbursed if the meal is included in the registration cost. ***NO alcoholic beverages will be reimbursed.***
 - ❖ **Incidental costs:** Parking, tolls, taxi cabs, etc.
Always Remember: An itemized, dated vendor receipt is required for reimbursement NOT a credit card statement.
- ▶ Complete the Reimbursement Request form shown attach all receipts to the form and attach the form to the appropriate copy of the P.O. (green copy, if partial and blue copy, if complete)

REIMBURSEMENT REQUEST
Name: _____ (please print clearly)
Date: _____
P.O. Number: _____
Purpose reimbursement is requested: _____ _____ _____
<i>No personal items should be included on the receipt.</i>
<i>Sales tax will not be reimbursed.</i>
<i>All purchases listed on the attached receipt were for school related items.</i>
Signature of Person Making Request

Tape Receipt Here
1. All printing on the receipt must be clearly visible.
2. Do not write over any of the printing on the receipt.
3. Do not highlight or mark any part of the receipt.
TAPE RECEIPT NEATLY IN THIS SPACE
If food purchase, attach list of names.



Kindergarten Student Academic Fees

- ▶ \$50.67 for FY17 school year
- ▶ Full time Kindergarten student academic fees are collected by the Treasurer's office
- ▶ Part time Kindergarten student academic fees are collected at the building level by secretary



Questions/Comments

- ▶ Questions/Comments
- ▶ Around the Table

Fiscal Help Line

- ▶ **Accounts Payable - Judy Dodge – 58-6236**
- ▶ **Benefits: Melissa Chase – 58-6230**
- ▶ **EMIS: Berny Bedingfield – 58-6272**
- ▶ **Payroll: Roxanna Bennett – 58-6232**
- ▶ **Clean-up: Jen Knapp – 58-6233**

