



CLEVELAND UNIVERSITY **HEIGHTS** CITY SCHOOL DISTRICT

Treasurer's Report
“3 Things”
11/2/22

CH-UH Strategic Plan



Goal 5, Objective 3:

Inform and educate all stakeholders regarding District finances and school funding in Ohio.



#1 – Purchase Order

- ❖ Before a good or service is purchased, a requisition must be entered and go through an approval process that verifies budget availability, correct account coding, and that it is an appropriate use of funds
- ❖ Once approved, requisition becomes a purchase order
- ❖ A purchase order is a legally binding obligation to pay for goods and services

#2 – Encumbrance

- ❖ Once a purchase order is created, the funds necessary are said to be “encumbered”
- ❖ This means budget to cover the encumbrance is committed and unavailable for other purposes
- ❖ At the end of a fiscal year, purchase orders that must remain open waiting for invoices show on the 5-year forecast as encumbered (and allocated)





#3 - Confirming Purchase Order

- ❖ If someone spends district funds without a purchase order in place, it is considered confirming and is not an obligation of the District (and is out of compliance with the Auditor of State)
- ❖ Treasurer can sign a “then and now” certificate if the confirming purchase is otherwise appropriate, funds were available at the time of purchase, and the amount is under \$3,000
- ❖ Board approval is required if “then and now” certificate is to be issued for over \$3,000



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Questions

<https://www.chuh.org/3Things.aspx>