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January 29, 2016

Stacy Williams, Treasurer
Beaver Local School District, Ohio

RE: Maintenance Fund (034) Expenditures

Dear Stacy:

You have asked for guidance regarding the allowable expenditures from the Maintenance Fund (034) which was established in connection with the District's participation in the Classroom Facilities Assistance Program of the Ohio School Facilities Commission. It is also understood that at this time that the Commission has not yet provided the District with a final maintenance plan to provide further guidance on the appropriate uses of that Fund. Subject to the completion of the final maintenance plan, the District is seeking further guidance regarding uses of the moneys in Maintenance Fund (034).

Allowable uses for the Maintenance Fund (034) according to the Commission's policy and procedure memorandum "shall be for the maintenance and repair of the facility including preventative maintenance, periodic repairs, and the replacement of facility components...." It is contemplated in the policy and procedure memorandum that included within these broad categories are the following:

1. Outsourced service agreement contracts and in-house training for the basic operational systems such as HVAC, life safety, elevators and roofing systems.

2. Equipment for the maintenance of the facilities and grounds. It is noted that the only sites the District currently operates are sites that include Commission projects/facilities. Thus, it appears that any equipment that the District would purchase is related to its Commission Facilities and would be used for the maintenance and repair of such facilities. Therefore equipment such as a scissor lift, plow vehicle and related equipment to maintain the safety of the grounds, and other vehicles and equipment (such as lawn maintenance equipment or forklifts) that are necessary for the maintenance and repair of the facilities and grounds would be appropriate expenditures from Maintenance Fund (034).

3. Repair and replacement of school facility components such as roofs and parking lots except for routine janitorial and utility costs or equipment supplies and personnel associated with day-to-day housekeeping and site upkeep per normal and customary standards are also appropriate expenses. Note the exclusion for the routine janitorial would be such items

as daily cleanings of the buildings and changing light bulbs as examples. Also under this exception would be items such as cleaning supplies, brooms and mops, light bulbs and the like.

As further guidance it can be noted that Section 3301-92-02(A)(5) of the Ohio Administrative Code has defined the term **“maintenance or repair”** as **“the act of keeping a permanent improvement in normal working condition”** and includes **“preventative maintenance, periodic repairs and replacement of parts, structural components and other activities needed to maintain the asset but does not include routine janitorial and utility costs”** (emphasis added).

This letter is subject to the final Maintenance Plan from the Commission when it is issued and approved, but hopefully gives you sufficient guidance on expenditures from Maintenance Fund (034) until that time. If there are any questions about specific items, please feel free to call me to discuss.

Very truly yours,

A handwritten signature in cursive script, appearing to read "A. R. Edick".

The Board of Education of the Beaver Local School District met in regular session on February __, 2016, commencing at ____ o'clock, p.m., at _____, located at _____, with the following members present:

The Board was advised that the notice requirements of Section 121.22 of the Revised Code and the implementing rules adopted by the Board pursuant thereto were complied with for the meeting.

_____ moved the adoption of the following resolution:

A RESOLUTION ACKNOWLEDGING AND AUTHORIZING THE USE OF AVAILABLE PROCEEDS IN THE MAINTENANCE FUND (034) IN CONNECTION WITH THE PARTICIPATION IN THE CLASSROOM FACILITIES ASSISTANCE PROGRAM

WHEREAS, as part of the District's participation in the Classroom Facilities Assistance Program for the construction of its school facilities, the District was required to establish a Maintenance Fund (034);

NOW THEREFORE, BE IT RESOLVED by the Board of Education of the Beaver Local School District, Ohio, that:

Section 1. This Board hereby acknowledges and authorizes the use of available proceeds in Maintenance Fund (034) to be used for the maintenance and repair of the District facilities and shall include preventative maintenance, periodic repairs and the replacement of facility components, but shall not include routine janitorial or utility costs.

Section 2. It is hereby found and determined that all formal actions of this Board concerning and relating to the adoption of this Resolution were adopted in an open meeting of this Board, and that all deliberations of this Board and of any of its committees that resulted in such formal actions were in meetings open to the public, in compliance with the law.

Section 3. This Resolution shall be in full force and effect from and immediately upon its adoption.

_____ seconded the motion.

Upon roll call on the adoption of the resolution, the vote was as follows:

CERTIFICATION

The above is a true and correct excerpt from the minutes of the regular meeting of the Board of Education of the Beaver Local School District, held on February __, 2016, showing the adoption of the resolution hereinabove set forth.

Stacy Williams, Treasurer
Beaver Local School District, Ohio