



BUSINESS OFFICE PROCEDURES MANUAL
2018-2019

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INTRODUCTION

This procedures manual has been prepared to provide general information about several Poteet ISD business functions. Additional information may be available within the district's Board Policies, Administrative Procedures, or other web resources.

If assistance is needed in any area of our business operations, please contact any of the staff members listed below.

| | | |
|-------------------|---|----------------|
| Amanda Garcia | Executive Director of Business and Operations | Extension 1714 |
| Greta Warner | Director of Federal Programs | Extension 1129 |
| Diamantina Flores | Payroll Supervisor / Accountant | Extension 1706 |
| Rachel Hernandez | Assistant Payroll Clerk | Extension 1705 |
| Angie Martinez | Accounts Payable Clerk | Extension 1704 |
| Violet Reyes | Business Office Clerk | Extension 1703 |

BUSINESS OFFICE MISSION STATEMENT

The Business Office is committed to providing the best service possible in the most efficient and economical manner to the many that depend on us for resources and information. The primary role of this department is to provide the resources necessary for the best teaching and learning possible.

The Business Office administers and manages Accounting, Investments, Budgeting, Revenues, Accounts Payable, Payroll, Grant Management and Reporting, Financial Compliance and Reporting, State and Federal finance requirements, Audits, District Bond and Indebtedness, and Risk Management for the District among other business related duties.

The Business Office Procedure Manual is intended for use as a guide to Poteet Independent School District business practices and to provide a uniform set of policies to reference. It is also designated to provide information concerning the approval procedures for purchasing, travel, payroll reporting, and all other pertinent information related to school business.

ACCOUNTING CODE STRUCTURE

The Financial Accounting & Reporting Module of the Financial Accountability System Resource Guide (FASRG) contains the required accounting code structure. Use of the appropriate accounting code structure is mandatory. The code structure is available on the TEA website at www.tea.state.tx.us.

A major purpose of the following accounting code structure is to establish the standard school district fiscal accounting system required by law. Although certain codes within the overview may be used at local option, the sequence of the codes within the structure, and the funds and chart of accounts, are to be uniformly used by all school districts in accordance with generally accepted accounting principles.

The FAR Module contains a description of all parts of the 20-digit account code:

| Fund | Function | Object | Sub-Object | Organization | Fiscal Year | Program Intent Code | Local Option Codes |
|------|----------|--------|------------|--------------|-------------|---------------------|--------------------|
| 199 | 11 | 6399 | 27 | 001 | 9 | 11 | 000 |

Using the examples above, the budget code **199-11-6399-27-001-911000** would mean that expenditure is for instructional science supplies for the high school out of the general fund for the 2018-19 school year.

- Fund – Identifies the fund group; example 199 for local
- Function – Identifies the purpose of the transaction; example 11 for instructional
- Object – Identifies the nature of the transaction; example 6399 for supplies
- Sub Object – Identifies accountability at the local level; example 27 for science
- Organization – Identifies the campus or department; example 001 for High School
- Fiscal Year – Identifies the fiscal year; example 9 for 2018-19 fiscal year
- Program Intent – Identifies intent of a program provided to students; example 11 for basic instruction
- Local Option Codes – Further describes a transaction

ACTIVITY FUNDS

According to the FASRG, Site-Based Decision Making Module, activity funds historically have been accounted for by school districts in various fund groups: general fund (Fund 199), special revenue funds (Fund 461) and agency funds (Fund 865).

The expenditure of Campus and Student Activity funds shall be in accordance with district policy and procedures. The following Allowable and Non-Allowable expenditures are for illustration purposes only, this is not an all-inclusive list. A final decision regarding allowability will be made at the time of the purchase order and/or payment approval.

Allowable

- a. Student trip related expenses such as meals, entry fees, lodging, transportation, etc.
- b. Staff or student meals or refreshments
- c. Awards/incentives (non-cash) of nominal value
- d. Club supplies
- e. Equipment, but it must be donated to the campus or district
- f. Rentals such as vehicles, equipment, etc.
- g. Contracted services such as printing, DJ services, motivational speaker, photographer, etc.

Non-Allowable

- a. Alcohol, tobacco or other controlled substance
- b. Payments of wages to district employees
- c. Individual gifts to a specific student or staff member (exceptions may apply to student organization funds)
- d. Donations to a person or outside organization (exceptions may apply to student organization funds)

Campus and student activity funds shall be collected, receipted, and deposited to the district's business office on a daily basis. All monies collected should be receipted in a receipt book.

Campus and student activity funds are managed using a centralized accounting system. A centralized accounting system is defined as a system that is centrally managed at the district's business office. Hence, all funds will be deposited by the business office and all disbursements (payments) made by the business office.

CAMPUS ACTIVITY FUNDS (Fund 461)

Campus activity funds are school funds managed under the direction of the campus principal.

Campus activity funds shall be primarily used to benefit students but may also be used to benefit campus teachers, sponsors, principals, and administrators. Typical uses include field trip fees, staff or student awards/incentives, faculty luncheons, refreshments for staff meetings, etc.

These funds are district funds; therefore, the funds shall not be used for "gifts" to students and/or staff or donated to external organizations. Budgeted funds shall not be used to generate activity funds, nor shall staff (administrative/support) earn wages while generating activity funds. Giving of staff time to generate activity funds shall be voluntary and outside normal working hours.

Generating activity funds shall not in any way compete with the district food service activities. Activity fund generation shall be a passive activity and shall not detract from the district's overall primary educational purpose. The generation and expenditure of campus activity funds shall be held to the same standard and scrutiny as that of appropriated funds. Activity funds shall be audited and must adhere to accepted business practices.

STUDENT ACTIVITY FUNDS (Fund 865)

Student and Faculty activity funds are held in a trustee capacity by the district and they consist of funds that are the property of students or others. These funds are not district or campus funds, but rather trust funds belonging to the students and/or faculty. The funds may be used in any manner to benefit the students and/or faculty at the direction of the students and/or Faculty Committee subject to the oversight and approval of the campus principal as "trustee" over the funds.

Student clubs and organizations shall be defined as student-led groups with formation documents, by-laws, and elected officers. All student clubs and organizations shall function under the sponsorship of a campus staff member, i.e. teacher or other staff member.

Student activity funds shall be used exclusively for the benefit of students. Typical uses include student travel, awards, banquets, supplies, DJ for a dance, end-of-the-year trips or events, club t-shirts, etc. These funds shall be used at the discretion of the student organization through designation of one or more of its officers. Class/club meeting notes should be on file to support student decisions regarding the expenditure of their class/club funds.

A request to open a new student activity account shall be submitted by the principal to the Executive Director of Business and Operations for approval. To establish an activity account, an organization should have an approved constitution, by-laws and elected officers. Once approved, the principal shall assign an organization sponsor (professional staff member) to be responsible for the proper management of the student activity account. The principal shall submit a list of all approved clubs, organizations, elected officers, and sponsors to the business office on an annual basis.

A request to close a student activity account shall be submitted by the principal to the Executive Director of Business and Operations when the need arises. Student activity account balances for graduating classes shall be donated to the upcoming graduating class activity accounts unless otherwise noted prior to graduation date.

Since Student Activity Accounts are trust funds that the campus manages on behalf of the students, accountability for these funds is extremely high. All Activity Account records must be maintained for a period of five (5) years. This includes merchandise logs, receipt logs/books, profit/loss statements, etc. At the end of every school year, the principal as part of the closeout procedures, shall collect all club records for storage on the campus for one (1) fiscal year, then at the Records Center for the rest of the archival period of time. New receipt books should be issued to staff members for each fiscal year.

HOSPITALITY / SUNSHINE FACULTY FUNDS

Campuses may establish a Faculty Fund (Hospitality or Sunshine) with voluntary donations from staff. These funds are not campus funds, but rather trust funds belonging to the faculty. The funds may be used in any manner to benefit the faculty at the direction of the Faculty Committee subject to the oversight and approval of the campus principal as “trustee” over the funds.

Purchases with these funds are subject to sales tax as they represent personal purchases and not district or campus purchases. Purchases typically include flowers for ill staff members, employee recognition awards, etc. These funds shall be deposited and expended from an Agency Fund (Fund 865).

FUNDRAISING

All fundraising shall be in accordance with School Board Policy FJ (Local). All requests to conduct a fundraiser shall be approved by the campus principal prior to conducting a fundraiser. The Authorization to Conduct a Fundraiser Form must be completed prior to the start of fundraising.

Campus and Student groups shall be limited to two fundraisers per calendar year. Parent Teacher Organizations and Booster Clubs are not covered under the district’s sales tax exemption status and are therefore not limited to the number of fundraisers per calendar year. Parent Teacher Organizations and Booster Clubs shall notify the Superintendent prior to engaging in fundraising or soliciting donations.

Fundraising shall not be permitted during class time.

Fundraising shall not in any way compete with the district’s National School Lunch Program (NSLP). Food sales during the day shall be limited to the district pre-approved list, or specific approval of the food item by the Food Service Director after reviewing the nutrition label of the food item. Effective July 1, 2014, the United States Department of Agriculture (USDA) limited the types of foods and beverages that may be sold to and consumed by students at school during the school day. The school day is defined by the USDA as the period from the midnight before, to 30 minutes after the end of the official school day. These standards will impact all those responsible for selling food to students including: food service departments, fundraisers, school clubs, and groups. The Smart Snack standards do not apply to food sold during non-school hours, foods sold to adults, parents, staff, and foods brought to school by a student for personal consumption. Additional information regarding the Smart Snack guidelines is available at: <http://www.fns.usda.gov/school-meals/smart-snacks-school>.

BUDGET CHANGE REQUEST

A budget change request (BCR) is a transfer of funds within the approved budget. Transfers within funds 199, 240, and 599 must stay within the same function. Transfers using federal and state grants may be submitted within different functions. The Executive Director of Business and Operations shall approve all budget change requests. Budget change requests shall be submitted on the budget change request form and must be stated in whole dollars.

All budget change requests in state or federal grants shall be reviewed and approved by the Director of Federal Programs prior to submission to the Executive Director of Business and Operations. The Director of Federal Programs must ensure the budget change request is in compliance with the grant requirements. Once approved, the Director of Federal Programs must amend the grant with the granting agency (such as TEA), as appropriate.

To keep budget change requests to a minimum, each budget manager should review his/her budget on at least a monthly basis to determine if any budget changes are necessary. An excessive number of budget changes may substantially change the budget document that was presented to the School Board during the budget adoption process.

BUDGET AMENDMENTS

A budget amendment is a transfer of funds across different functions within funds 199, 240, and 599. For example: a budget amendment would result if instructional funds (function 11) were requested to be transferred to library funds (function 12).

Budget amendments must be approved by the School Board. Requests should be submitted in accordance with agenda deadlines posted by the Superintendent. Remember that if a purchase order is pending the outcome of a budget amendment, the purchase order will not be processed until after the School Board has approved the request.

CASH / CHECK HANDLING

All cash and checks received by personnel shall be submitted to the campus secretary on a daily basis. No post-dated checks should be accepted. A receipt shall be issued for all collections from an individual. Funds should not be kept in classrooms, personal wallets or purses, or at home. No cash purchases should be made – every dollar collected should be receipted and submitted to the campus secretary. The campus secretary shall receipt and forward all monies on a daily basis to the district's business office, or secure overnight in a locked campus safe if the deposit cannot be made the same day.

Athletic Gate Attendants shall sign for receipt of their ticket box. The ticket box includes tickets, petty cash, and an Athletic Gate Receipt form. At the end of the event, the Gate Attendant must complete the gate receipt form and submit the ticket box to the designated administrator of the athletic event. Funds shall be forwarded to the business office for deposit to the appropriate athletic revenue account(s).

COPIERS

The district owns several copiers that are strategically placed in different campuses or departments. The copiers are for district business use only. Personal copies, if any, will be charged at .10 cents for black/white and .25 cents for color copies. Prior approval must be obtained from the appropriate campus principal and/or department administrator to use a district copier for personal printing. Payment for personal copies shall be made immediately to the campus secretary or business office.

CREDIT CARDS

The district utilizes credit cards for purchasing goods and services such as instructional supplies and hotel reservations. Credit cards are maintained at the campus / department or issued by the business office upon approval of a purchase order. Each campus or department that is entrusted with a credit card shall properly secure the cards (when not in use) in a secure location.

All purchases made with credit cards must follow district purchasing guidelines referenced herein. The district does allow the use of credit cards for grants.

All credit card receipts (detailed, itemized) shall be submitted to the business office within five (5) days of the purchase to ensure prompt payment to the vendor. If credit card receipts are not submitted on a timely basis, these charges will be temporarily posted to the campus' activity account until receipt of the supporting documentation. If a receipt is not received from the purchaser, the purchaser may be held liable for reimbursement of the entire purchase. District credit card usage may be suspended and/or revoked if receipts are not submitted on a timely basis.

DONATIONS AND GIFTS

All donations and gifts shall be approved by the Campus Principal and Superintendent or Board of Trustees when applicable. Any donation or gift that the potential donor has expressly made conditional upon the District's use for a specific purpose, or any gift equal to or over \$1,000, shall require Board approval. Once accepted, a gift becomes the sole property of the District.

District employees are prohibited by law from intentionally or knowingly offering, conferring, agreeing to confer on another, soliciting, accepting, or agreeing to accept a personal gift or benefit.

Donated equipment shall follow the fixed asset and inventory guidelines referenced herein.

Campus staff shall not utilize external donor websites (such as gofundme.com) to seek donations for student activity clubs and organization without the express written authorization from the Superintendent.

Donor websites shall not be established by the campus for the personal benefit of a staff member or student. If a campus staff member or student establishes a personal donor webpage, the webpage link may not be distributed via campus email to all staff and/or students without the express written authorization from the Superintendent.

Student activity clubs and organizations may not utilize external donor websites to seek donations for their club or organization without the express written authorization from the campus principal and superintendent.

Donations received through donor websites must be deposited in the appropriate depository account. All expenditures with the donated funds shall follow the established purchasing and payment procedures.

FIELD TRIPS

Requests for all field trips shall be submitted to the campus secretary at least thirty (30) days prior to a field trip. The field trip request shall be forwarded to the campus principal for approval within three (3) days of receipt. Out-of-state trips must be approved by the Superintendent.

Educational field trips funded through federal grant funds must be pre-approved by the granting agency and/or the pass through entity (TEA), as appropriate. All requests shall be submitted to the Director of Federal Programs on a Request for Specific Approval: Educational Field Trips Form (located on TEA's website). The Director of Federal Programs shall obtain the pre-approval from the appropriate entity. No purchase order, travel authorization or expenditure shall be approved with federal grant funds until a copy of the approval form has been received from the granting agency and/or pass-through entity.

A purchase order shall be submitted for admission fees, meals, etc. In addition, a Field Trip Lunch Request form shall be completed and submitted ten (10) days prior to the field trip to the Food Service Director.

If a school bus is requested for the trip, specific details regarding the destination, departure and return times shall be submitted via the web system, Eduphoria, at least four (4) weeks prior to the field trip. A certified bus driver shall transport students in a school bus.

If a district-owned vehicle is requested, specific details regarding the destination, type of vehicle, departure and return times shall be submitted via the web system, Eduphoria, at least four (4) weeks prior to the field trip. If the requestor will be driving a district-owned vehicle, he/she must be listed on the Authorized Driver List. District employees shall complete an Authorization to Drive a District Vehicle Form to request authorization to drive a district-owned vehicle. The district adheres to the minimum licensure guidelines set by the Texas Department of Public Safety.

In the event that a staff member transports students to an approved event in a personal vehicle, the staff member shall be on the Authorized Driver List and shall provide proof of automobile insurance coverage to the Transportation Director.

FISCAL YEAR

The fiscal year begins on September 1st and ends on August 31st. All goods and/or services received and invoiced during these dates must be paid from current fiscal year funds. All invoices for goods received before August 31st, shall be submitted to the Business Office by September 10th for processing and payment.

FIXED ASSETS & INVENTORY

All fixed assets and inventory shall be tracked, maintained and disposed of in accordance with the Fixed Assets & Inventory Procedures.

Fixed assets (capital assets) are defined as equipment with a unit value over \$5,000. These assets are tracked and recorded by the accounts payable clerk in the district's fixed asset software

program. Fixed assets that are stolen, obsolete, damaged beyond repair, etc. should be reported to the Executive Director of Business and Operations for removal from the district's fixed asset software program. All fixed assets must be purchased through the use of an Object Code 663X.

Inventory items are defined as equipment with a unit value over \$1,000, but less than \$5000. These items referred to as "inventory" shall be tracked and recorded by the appropriate campus or department, such as Technology, Maintenance, Food Service, or Transportation for insurance purposes. Inventory items that are stolen, obsolete, damaged beyond repair, etc. should be reported to the Executive Director of Business and Operations and removed from the tracking record. Inventory items (with a unit value between \$1,000 and \$4999) shall be considered consumable and shall be purchased through the use of an Object Code 6398 (reclassified to 6399 for PEIMS purposes).

Other "walkable" items with a unit value under \$1,000 shall be tracked and tagged for inventory purposes. These items may include: iPads, Nook/Kindle, tablet computers, digital cameras, and other items that may have a personal use. These inventory items (with a unit value less than \$1,000) must be purchased through the use of an Object Code 6399. The appropriate campus or department shall track these items for control purposes.

All staff will be provided an inventory list for their respective classroom, office, or work area at the beginning of the school year by their immediate supervisor. After verifying the list, each employee shall return the verified list to his/her immediate supervisor.

At the end of the school year, the same process will occur. The end-of-the-year list should include all items that were assigned at the beginning of the year, plus any items purchased throughout the school year, less any items that were transferred or disposed of during the school year. Staff will not be released for the summer until their inventory list has been verified and submitted to their immediate supervisor. Missing items, if any, must be indicated on the inventory list. In addition, an explanation regarding why the item(s) is missing shall also be submitted with the list.

Items lost due to theft or vandalism must be reported to the Executive Director of Business and Operations immediately for police report and insurance claim purposes.

Fixed assets may be disposed of on an annual basis after determination that the assets are obsolete or surplus (have no useful value to the district). The Superintendent shall approve the disposal of all assets, including the method of disposal, i.e. auction, garage sale, etc. No employee shall remove surplus or obsolete assets for personal use. Removal of assets or inventory without written authorization shall constitute theft of property. Any employee doing so, shall be subject to disciplinary action up to and including termination of employment.

Most federal grants contain specific disposal requirements of assets at the end of a grant period. If an asset purchased with a federal grant is scheduled for disposal, the disposal shall be coordinated with the Director of Federal Programs.

The Equipment Receipt, Use and Reimbursement Agreement Form will be used to assign district property, such as cell phones, cameras, iPads, Nook/Kindle, laptops/tablet computers, etc. to district staff for business purposes. The receiver should read the employee handbook carefully to

ensure they fully understand their responsibilities when using district property. Use of district property for personal benefit shall be subject to disciplinary action, up to and including termination of employment.

GIFT CARDS

District funds shall not be used to purchase gift cards. Student Activity and Faculty Funds are not district funds; therefore, these funds may be used to purchase a gift card.

Gift cards donated to the district by outside sources may be given to employees as a reward or incentive. Gift cards, in any amount, whether purchased by the district or donated to the district, are taxable to the employee and must be processed through the employee's paycheck [IRS Regulations]. An employee must sign a Gift Card Authorization to Deduct Payroll Taxes Form prior to receiving a donated gift card. The value of the gift card shall be taxed by the Payroll Department on the employee's next paycheck.

GRANTS MANAGEMENT

All state and federal grants shall be managed in accordance with the State & Federal Grants Manual. All federal grants expenditures shall comply with the federal regulations, i.e. EDGAR, 2 CFR 200, etc. State grants administered shall also meet the Grant Management guidelines established by the issuing agency.

Approvers may seek clarification from the Director of Federal Programs related to grant restrictions, allowability, etc.

All staff paid from grant funds shall sign a job description each school year. The job description must include the source of funds, job duties related to the program, and a statement regarding Executive Order 13513 which prohibits texting while driving a district owned vehicle or a personal vehicle on grant-related business. The Intent and Purpose as stated in the program guidelines of each grant may be used to determine the specific job duties of grant funded positions.

All grant applications shall be submitted to the Director of Federal Programs and the Executive Director of Business and Operations for review and approval prior to submission. This requirement includes all grant applications to merchants, foundations, etc. The Superintendent shall approve all grant applications.

Budget changes and/or amendment requests may require approval from the granting agency and/or pass-through entity. The Director of Federal Programs shall review and approve all budget changes and/or amendments related to grant funds in accordance with the requirements of the issuing agent including the TEA document "When to Amend the Application."

Grant expenditures shall be reviewed and approved by the Director of Federal Programs to ensure expenditures meet the requirements of the grant. The Director of Federal Programs must monitor and review expenditure reports monthly to ensure proper coding and allocation of expenditures.

All grant funds will be budgeted, expensed and monitored through the district's finance system. All grant reimbursement requests shall be prepared and submitted by the business office monthly.

LONG DISTANCE CALLS

The district does not require the use of a Long Distance Call Log. However, staff shall document long distance calls which exceed 15 minutes. The documentation must include the date, duration, and justification of the call which shall be e-mailed to the accounts payable clerk the day of the call. International calls are strictly prohibited.

The accounts payable clerk shall review the monthly long distance invoices for reasonableness. Unallowable long distance call charges shall be reimbursed by the caller within five (5) business days.

PAYROLL PROCEDURES

The Employee Handbook has been compiled to assist district staff in understanding payroll district policies and procedures. Employees must adhere to the Employee Handbook deadlines in order to ensure payroll information is processed timely and accurately.

Non-exempt employees are required to clock-in and out on a daily basis. Employees failing to clock in and out must immediately notify their immediate supervisor and the payroll department via e-mail of the failure and explanation of why the failure occurred. Each occurrence must be approved by the Executive Director of Business and Operations. Continued occurrences will result in disciplinary action for insubordination up to and including termination.

All non-exempt employees shall be required to submit all absences from work via the AESOP absence management system.

Each campus secretary or operation supervisor will make employee time sheets available on Monday morning for employee review and signature. Supervisors will approve signed employee time sheets Monday afternoon. Any overtime approved by the Supervisor must be justified on the time sheet and reviewed by the Executive Director of Business and Operations. Signed and approved time sheets must be submitted to the payroll department by noon on Tuesday.

The payroll department reconciles time sheets and employee leave prior to processing. Discrepancies with employee time or leave shall be addressed directly with the employee and supervisor. Approvals will be obtained as necessary.

Staff designated as exempt, shall be exempt from the FLSA requirements of minimum wage, overtime and recordkeeping. Exempt employees are not required to clock-in or out on a daily basis. However, all exempt employees shall be required to submit all absences from work via the AESOP absence management system.

All supplemental pay time sheets for exempt employees shall be submitted to the payroll department in accordance to the Professional / Clerical Staff monthly dates. Extra duty and annual stipends shall be processed in accordance to the board approved compensation plan.

The payroll department reconciles standard gross pay, leave balances, approved leave, and supplemental pay prior to processing. Discrepancies with employee pay and leave shall be addressed directly with the employee and supervisor. Approvals will be obtained as necessary. The payroll department processes payroll by noon prior to the pay date. Employees are able to review pay, leave, and benefit information in Employee Access. Employee Access is updated immediately following the payroll process. Any discrepancies must be reported to the payroll department immediately.

After payroll, employee payroll data is reconciled and mandated filings are submitted.

CONTRACTS FOR CONSULTANTS / CONTRACTED SERVICES / SERVICE AGREEMENTS

A written contract is required for all consultants, contracted services, and service agreements. Consultants are non-employees who are contracted to perform a personal or professional service such as staff development, medical services, maintenance and repair services, etc.

All contracts or agreements shall be subject to review by the Executive Director of Business and Operations. The Superintendent or designee shall sign the contract on behalf of the district. The Superintendent or designee is the only individual authorized to sign contracts on behalf of the district. No other employee is authorized to sign a contract on behalf of the district. An employee who signs a contract or agreement, without proper authorization, will be personally liable for the terms of the contract or agreement. Contracts that exceed \$25,000 shall be approved by the School Board at a regularly scheduled board meeting.

All contracts that exceed \$50,000 shall be procured using the competitive procurement requirements established in the appropriate state law (TEC or the Government Code). The appropriate purchasing guidelines shall be used to requisition all goods or services.

If a contract for a consultant or contracted services will be funded through federal funds, the Director of Federal Programs shall review the purchase request and subsequent contract(s) to ensure that it is: 1) included in the grant application; 2) budgeted in the grant; and 3) verify that the contracted services are allowable under the grant. The contract language required in the federal regulations (EDGAR) and state regulations (TEA) shall be included in every contract funded with federal funds.

The contract originator (campus or department administrator) shall be directly responsible to ensure that the contractor performs the services covered by the contract.

RENTAL OF FACILITIES

A rental agreement is required for all rentals of facilities by outside organizations. The Business Office Clerk shall coordinate the rental of all district facilities.

All rental agreements shall be forwarded to the business office for processing. The business office will invoice all organizations for appropriate rental fees. All rental fees shall be deposited to the district's miscellaneous revenue account. The renter shall not be allowed to pay district employees (assigned to work) directly with cash, check, or other method. District employees

assigned to work in support of a rental agreement must be paid through the payroll department. Refunds, if any, due to overpayment by the renter shall be processed for reimbursement through the business office.

Organizations and sponsors of Poteet ISD students such as, Booster Clubs, Parent / Student Organizations, scholarship sponsors, etc. shall be allowed to utilize district facilities at no charge if an annual financial report is submitted and the organization contributes over \$1,000 to the students. The district may apply charges to facility usage if district staff is required for assistance (i.e. custodial, food service, police officer, etc.) The annual financial report shall be submitted to the business office by July 15th of each year and shall include contact information, financial summary report, contributions to Poteet ISD students for the year (i.e. equipment, instruments, supplies, etc.), and goals for the upcoming year. Organizations who fail to comply with the requirements will not qualify for future waived rental fees.

RETURNED CHECKS

All makers of returned checks will be charged a \$25.00 service fee. The fee is subject to increase based on the district's depository bank service fee schedule for returned checks. The district shall reserve the right to reject future checks from makers of returned checks.

Upon receipt of returned checks, the business office shall adjust the cash balance of the appropriate account(s) and notify the maker of the check via certified mail to make payment, including the fee, in cash to the business office within five (5) days.

If the maker fails to make payment within the five (5) day period, the non-payment will be submitted for collection.

SALE OF PERSONAL PROPERTY – SURPLUS

Surplus sales shall be advertised in the local newspaper and/or district website. Items shall be sold via marked pricing, sealed bids, auction, or other acceptable method that results in the best return for the district.

Neither district supplies, nor equipment, shall be sold or conveyed other than via a surplus sale, unless authorized by the Superintendent or designee. Further, assets purchased with federal funds have a different disposition process. Additional information is available under the grants management section.

Additional information is available under the Fixed Assets topic.

SALES TAX EXEMPTION FORM

The Sales Tax Exemption form shall be used for school-related purchases only. Misuse of the exemption form for personal purchases constitutes a misdemeanor.

Copies of the exemption form may be obtained from the business office. Each purchaser shall be responsible to complete, sign and present the form to the vendor. Note: The purchaser is certifying with his/her signature the following:

I understand that I will be liable for payment of all state and local sales or use taxes which may become due for failure to comply with the provisions of the Tax Code and/or all applicable law. I understand that it is a criminal offense to give an exemption certificate to the seller for taxable items that I know, at the time of purchase, will be used in a manner other than that expressed in this certificate, and depending on the amount of tax evaded, the offense may range from a Class C misdemeanor to a felony of the second degree.

Taxes, which should have been exempt, will be unauthorized for reimbursement if the exemption form is not presented to the vendor at the time of the purchase. The purchaser shall reimburse the sales tax immediately upon submission of the sales receipt. The campus secretary shall issue a receipt for the sales tax and forward the funds to the business office for deposit to the account(s) used for the purchase.

Purchase of personal items for staff or students are not eligible for the sales tax exemption.

HOTEL OCCUPANCY TAX EXEMPTION FORM

The Hotel Occupancy Tax Exemption Form applies only to lodging in the state of Texas. This form shall be used for school-related travel to conferences, workshops, etc. Copies may be obtained from the business office. Lodging taxes in the state of Texas, which should have been exempt, will be unauthorized for reimbursement if the traveler fails to present the certificate to the hotel. The traveler will be held responsible for such charges, if any.

TRAVEL GUIDELINES

All travel expenses shall be in accordance with the Travel Guidelines set forth below. Employees authorized to travel for business and educational purposes on behalf of the District shall be reimbursed for usual and customary travel-related expenses incurred while conducting District business. Expenses are to be within the established District guidelines and will be reimbursed with proper documentation. Students and Board Members shall receive a travel advancement and are required to submit appropriate documentation and return all remaining funds to the District.

These travel procedures and guidelines have been established to ensure compliance with IRS regulations, applicable state/federal laws, and to set a standard of equitable guidelines for all persons traveling on behalf of the District.

Out-of-state travel requires Superintendent or designee's approval prior to travel.

Employee Travel

All travel requests must be submitted to the campus secretary via the Travel Request Form. Upon submission, all supporting documentation to include conference details, hotel confirmation, third party authorization, and MapQuest must be included with the Travel Request Form.

The campus secretary must submit all travel requests via the web system, Eduphoria, at least fourteen (14) working days prior to the travel event. The travel request will be forwarded to the business office for review and electronic approval. After the final approval, Eduphoria will notify, via e-mail, the campus secretary.

The employee travel form created in Eduphoria acts as an estimate of travel expenses. The business office shall enter the estimated travel expenditures into the TxEIS requisition system. An employee's travel expense reimbursement shall not exceed the amount of funds available in the current budget. Typically, several requisitions shall be entered to encumber funds for meals, lodging, registration, transportation and other expenses. For example, the requisitions may include the following vendors: 1) traveler (meals); 2) registration fee (vendor); 3) lodging (hotel/district credit card).

An employee may use a district vehicle for approved travel if available. A district fuel card will be issued upon district vehicle check out. Employees who choose to use their personal vehicle versus a district vehicle may be reimbursed mileage costs with prior approval.

The travel rates for meals, lodging, and mileage are limited to the rates and amounts listed below:

| | |
|---------|--|
| Meals | \$15 – First Day of Overnight Travel \$30 – Remaining Overnight Travel (per day) \$15 – Last Day of Travel (return date) |
| Lodging | Lodging charges shall be charged to campus / department district credit cards |
| Mileage | \$0.545 – Reimbursable rate per mile of travel to and from Poteet ISD to conference destination |

After the trip has occurred, the employee travel form acts as the certification of the employee's actual travel expenses. The Employee Travel Form must be submitted to the campus/department secretary within fourteen (14) days after the return of the traveler. Any forms turned in after fourteen (14) days may not be reimbursed. All actual travel expenses shall be recorded on the employee travel form with original, itemized receipts. One employee expenses per receipt.

The TEA Travel Guidelines for state and federal funds shall be utilized to ensure that the locally funded maximum travel expenditures are not exceeded. The guidelines may be found at the TEA website: <http://ritter.tea.state.tx.us/taa/plangraneval013111.html>. Travel expenses paid with state or federal grants shall not exceed the maximums allowable by TEA. The excess travel expenditures beyond the allowable amounts, if any, must be paid from local funds.

The Executive Director of Business and Operations shall review all grant travel expenditures and seek guidance from the Director of Federal Programs for clarification related to grant restrictions, as appropriate.

Student Travel

District funds may be used for payment of meals for overnight district sponsored extra-curricular activities. Student and campus activity funds may be used to pay for student sponsored activities including meals for non-overnight travel.

The Requisition Requisition form shall be utilized by campus staff to request travel advancements for student travel expenses such as registration, meals, transportation, lodging, etc. Students must be transported in District vehicles.

Student meal expenses will be advanced at \$10 per meal, with a maximum of \$30 per day for overnight travel. When leaving the District, student travel beginning after 10:00 a.m. will not receive a breakfast allotment. When leaving the district, student travel beginning after 5:00 p.m. will only receive a dinner allotment for that day. The employee responsible for student travel (sponsor, coach, etc.) must complete the meal tracking form to provide an itemized list, by student, of meal expenditures. This itemized list must be supported by individual, itemized receipts. Any unused advancements, the meal tracking form and supporting documentation (individual, itemized receipts) must be returned to the business office within three (3) days after the event. The employee responsible for travel will be held responsible for unused and overages of advanced travel meal funds.

Student lodging expenses will be advanced at actual lodging costs. Hotels should be aware that we do not pay state taxes and are exempt. Lodging taxes in the state of Texas, which should have been exempt, will be unauthorized for reimbursement if the employee responsible for travel fails to present the hotel occupancy tax exemption form to the hotel. The employee responsible for travel will be held responsible for such charges, if any. A copy of the hotel occupancy tax exempt form is available in the business office.

The employee responsible for travel will be issued a check with estimated registration, meals, transportation (taxi, shuttle, etc.), and lodging expenditures for the approved travel dates.

| | |
|----------|--|
| Meals | \$30 per day (\$10 per meal) – Overnight Travel \$20 per day – Overnight travel beginning after 10 a.m. \$10 per day – Travel beginning after 5 p.m. |
| Lodging | Lodging charges shall be charged to campus / department district credit cards |
| Mileage* | \$3.00 – Per mile for district bus \$0.545 – Per mile for other district vehicles |

**For budgeting purposes*

Board Travel

Board members are often required to attend conferences for training and/or professional development.

The Travel Request form shall be utilized by the board secretary to request travel advancements for board travel expenses such as registration, meals, transportation, etc. Board lodging expenses will be paid using the district credit card.

Board meal expenses will be advanced at a maximum of \$30 per day for overnight travel with the exception of first and last day travel. First day of overnight travel and last day of travel (return date) will be reimbursed at a maximum of \$15 per day. Any unused advanced funds and original, itemized receipts must be returned to the Business Office within five (5) business days after the event.

Individual board members will be issued a check with estimated registration, meal, and transportation (taxi, shuttle, etc.) expenditures for the approved travel dates. Unused monies and original, itemized receipts must be returned to the Business Office within five (5) business days after the event. Monies not returned will be deducted from future travel advancements.

Unallowable Travel Expenses

Unallowable travel expenses include, but are not limited to:

- Any expense incurred by family members and other types of personal expenses
- Dry cleaning and laundry
- Alcoholic beverage charges
- Telephone calls
- Internet Service (unless needed for a business purpose and approved by the Executive Director of Business and Operations)
- Movie charges, Personal entertainment
- Tips & Gratuities (except for mandatory service charges)
- Room service / Incidentals / delivery fees
- Dependent care

VENDORS

The district shall ensure that all vendors are capable of providing the intended goods or services.

Purchases from vendors that operate on a cash basis will not be allowed.

The district participates in several cooperative purchasing programs (i.e. BuyBoard, Choice Partners, and Region 20). A list of these programs is available from the business office. Priority should be given to these vendors since the goods and/or services have been subjected to the rigor of a competitive bid process.

Requests to add new vendors shall be submitted to the accounts payable clerk and accompanied by the Vendor Application Packet. The packet includes a vendor application, Form W-9, Felony Conviction and Conflict of Interest Questionnaire (CIQ).

As a matter of law, all existing and new vendors shall be required to complete and file a CIQ with the business office. The governing body (School Board) and the Superintendent shall complete and file Local Government Officer Conflicts Disclosure Statement (CIS) with the business office.

PURCHASING GUIDELINES

All purchases of goods and services shall be in accordance with the Purchasing Guidelines. The procedures contain guidance related to procurement requirements in federal regulations, state laws/rules and local board policy. When a conflict arises between federal regulations, state law and local policy, the strictest rules shall apply.

PURCHASING LAWS & REQUIREMENTS

The Potteet ISD Purchasing Levels and Requirements shall be used to determine whether competitive procurement is required for a federal, state, or locally funded purchase.

| POTEET I.S.D. PURCHASING LEVELS AND REQUIREMENTS | | | | | |
|---|---|--|----------------|---|---------------------------------------|
| Purchase Commitment Amount | Support Required | Additional Forms | RFP/RFQ | Board Approval | Advertising |
| Less than \$1,000.00 | 1 QUOTE | NOT REQUIRED | NOT REQUIRED | NOT REQUIRED | NOT REQUIRED |
| \$1,000.00 to \$3,499.99 | 2 QUOTES | NOT REQUIRED | NOT REQUIRED | NOT REQUIRED | NOT REQUIRED |
| \$3,500 to \$24,999.99 | 3 QUOTES | NOT REQUIRED | NOT REQUIRED | NOT REQUIRED <i>Superintendent Approval Required for Purchases over \$9,999.99</i> | NOT REQUIRED |
| \$25,000.00 to \$49,999.99 | 3 QUOTES | SCOPE OF WORK / PROPOSALS | NOT REQUIRED | BOARD AGENDA ITEM REQUIRED | REQUIRED Two (2) Consecutive Weeks |
| Greater than \$50,000.00 | COMPETITIVE PROCUREMENT (Education Code 44.031) | BID OR PROPOSAL TABULATION FORM | REQUIRED | BOARD AGENDA ITEM REQUIRED | REQUIRED NOTICE OF PUBLICATION |
| Greater than \$150,000.00 | COMPETITIVE PROCUREMENT (Education Code 44.031) | BID OR PROPOSAL TABULATION FORM / PRICE ANALYSIS | REQUIRED | BOARD AGENDA ITEM REQUIRED | REQUIRED NOTICE OF PUBLICATION |

COMPETITIVE PROCUREMENT

Competitive procurement is a formal process for procurement of goods and/or services. The purpose of competitive procurement is to obtain the lowest practical price for goods and/or services needed. The Executive Director of Business and Operations shall assist with the preparation of bid specifications for competitive purchases valued greater than \$50,000.

SOLE SOURCE

A school district may purchase an item that is available from only one source, such as an item with an existing patent, book, film, utility service, or replacement/component part. A common sole source purchase for school districts is the purchase of iPads, which shall be purchased only from Apple, Inc. The vendor shall provide written confirmation of their sole source status to the business office for audit purposes.

PURCHASING REQUISITIONS

No employee shall order or receive goods without an approved purchase order. A system requisition number cannot be used to place an order. According to Board Policy CH (Local), employees who violate the district purchasing guidelines shall be held personally liable for the debt incurred.

A Requisition Request Form is used to request purchases of supplies, equipment, or services from an external vendor. The form is submitted to the campus and/or department supervisor for review and approval. Once approved, the authorized TxEIS user will enter the Requisition Request Form into TxEIS to create a requisition number.

TxEIS allows authorized users to enter purchase requests electronically, verify account balances, select pre-approved vendors, and attach supporting documents (i.e. quotes, CIP goal, etc.) at the point of data entry. Budget codes must be noted on all requisitions. If adequate funds do not exist in the appropriate account, the originator shall submit and receive approval of a budget change or amendment prior to purchase authorization approval. The requisition is reviewed and approved by the appropriate administrators. Once the final approval is executed by the Executive Director of Business and Operations or delegate, a purchase order number is created.

EMERGENCY PURCHASES

The purchasing guidelines may delay district activities when district facilities undergo operational or structural replacement or repair. Therefore, purchases for the replacement or repair of equipment, school facility, or a part of the school facility may be made by methods other than the purchasing guidelines listed above. The Executive Director of Business and Operations must approve all emergency purchases.

ONLINE PURCHASES

Use of online purchasing will be limited to specific vendors and authorized users. Additional online users shall be added as needed. Online purchasing must follow appropriate purchasing guidelines. Prior to placing an online order, a purchase order must be approved by the business office.

BACKORDER PURCHASES

Backorder items are not allowable purchases. Individual backorder items must be cancelled through the vendor and removed from the approved purchase order. Backorder items readily available through another vendor may be requested with a new purchase requisition.

PURCHASE OF FOOD AND NON-FOOD ITEMS

Food and non-food items (such as paper plates, cups, silverware, etc.) shall be for instructional purposes (Food Science & Nutrition, science projects, etc.), for meetings/training sessions, or other approved functions. These food and non-food items may not be consumed or used for personal use. Excess prepared food items may be consumed or disposed of as appropriate. Food purchases for the Child Nutrition Program shall be subject to the U.S. Department of Agriculture

guidelines. Food purchases for state and federal grants are subject to TEA's Budgeted Cost Guidance Handbook.

Use of district funds for food or snacks shall be allowed only for a "working lunch" during a meeting or training session. Documentation to support the "working lunch" shall include a meeting agenda with date as well as an attendance sheet with staff member signatures. Snacks, food, and non-food supplies for staff development purposes shall be charged to a staff development account code using fund 199 and function 13.

Any food and non-food items purchased for campus, student or staff activities such as faculty lunches or student attendance incentives shall be coded to the Campus Activity Account (fund 461), Student Activity Account (865) or Staff Hospitality Fund (865).

PURCHASING DEADLINES

To maximize the use of budgeted funds during the current fiscal year, the purchasing deadline is April 1st. Summer needs for staff development and summer school and start up supplies should be anticipated and ordered prior to the April 1st deadline. The purchasing deadlines for state or federal grants may be earlier than the deadlines stated above due to grant ending dates.

RECEIVING OF GOODS (Centralized)

The district utilizes a centralized receiving system – all goods (supplies / equipment) are delivered to the Transportation Department. The Transportation Department will deliver all goods to the respective campus and departments with a "check-off" list for verification of receipt daily. Discrepancies, if any, should be reported to the individual delivering the packages immediately. Upon receipt of the goods, campus and departments shall promptly verify that the order was received complete and in good condition. The campus and departments shall forward the signed purchase order (which verifies complete receipt of the goods), packing list and invoice to Accounts Payable for payment within 30 days of receipt of the goods. Payment shall not be made to the vendor until the goods are verified as received in good condition by the campuses and departments.

At times, goods may be shipped to other district facilities, other than the transportation department, due to the size/weight of the goods. If goods are delivered to a district facility, other than the transportation department, the staff receiving the goods shall make arrangements for delivery of the goods to the appropriate campus or department. The staff who receives the goods shall resolve all receiving discrepancies such as damaged goods, shortage of goods, etc. directly with the vendor. The Accounts Payable Clerk shall be notified if any goods are returned to a vendor for exchange or credit.

INVOICES

Vendors are required to submit all invoices to the business office, yet occasionally an invoice will be mailed directly to a campus or department. If any invoices are received at the campus or department, they should be signed (if the goods/services were received), and forwarded to the business office within five (5) days of receipt of the invoice.

Texas Law requires that all invoices be paid to vendors within 30 days of receipt of the goods/services [Prompt Payment Act]. If the district fails to pay promptly, the vendor can assess penalty interest charges. If a staff member neglects to submit an invoice on a timely basis, he/she may be held personally liable for the invoice as well as the penalty interest charges.

CHECK PROCESSING

District checks will be printed, endorsed, and released on a weekly basis. Generally, checks will be generated on Friday afternoons. At times checks may be processed earlier or later, due to holidays, staff work schedules or unforeseen events. All check requests, including supporting documentation, such as quotes, CIP goals, travel receipts etc. shall be approved by the appropriate principal or administrator and submitted to the business office by 12:00 noon on Wednesdays. Requests received after this time will be processed the following week. Check requests without all supporting documentation and signatures will not be accepted, nor processed. The business office shall determine the date that vendors will be paid. Employees shall not make prior commitments to vendors regarding check disbursements.

Checks not cashed by the expiration date (90 days from the date of issue) will be voided. A new check will be reissued at a fee of \$25.00 [depository bank stop payment fee] if the payee is located and requests a reissue. Otherwise the funds will be distributed in accordance with the State of Texas Unclaimed Property Guidelines.

AGED/CANCELLED PURCHASE ORDERS

Purchasers shall work collaboratively with the Accounts Payable Clerk to review Aged Purchase Orders on at least a monthly basis. An Aged Purchase Order shall be defined as a purchase order that has not been filled by the vendor within 30 days.

Purchase orders not processed by August 1 shall be cancelled and not active for use. Employees who purchase items with a cancelled purchase order shall be held personally liable for the debt incurred.