

BARBERS HILL INDEPENDENT SCHOOL DISTRICT

# FINANCE MANUAL

Operating Procedures

## Table of Contents

<a href="#">Section 1</a>	Purchase Orders
<a href="#">Section 2</a>	Travel Requests
<a href="#">Section 3</a>	Student Activity
<a href="#">Section 4</a>	Petty Cash
<a href="#">Section 5</a>	Fundraising
<a href="#">Section 6</a>	Athletic Gate Receipts
<a href="#">Section 7</a>	Auction Website
<a href="#">Section 8</a>	Check Requests
<a href="#">Section 9</a>	Cash Management
<a href="#">Section 10</a>	Fixed Assets
<a href="#">Section 11</a>	Contract Management
<a href="#">Section 12</a>	Vendor Management
<a href="#">Section 13</a>	Accounts Payable
<a href="#">Section 14</a>	Insufficient Fund (NSF) Check Collection

# Section 1: PURCHASE ORDERS

## PURCHASE ORDERS

See Section 12 for Vendor Management Procedures.

1. Requisitions must be approved by the Budget Manager, the Business Manager and the Assistant Superintendent of Finance before a purchase is made or before a service is requested. After the requisition is approved, a purchase order will be generated.

**Rarely should a requisition be prepared after the purchase has been made. If an item is bought before a purchase order has been issued and the requisition is later rejected, the employee shall personally pay the District for the cost of the item or for any cost related to returning the item. Such an illegal, unauthorized purchase shall be considered a violation of school board policies and procedures and possibly State and Federal laws, and may result in disciplinary action, including termination of employment.**

All Departments should review the status of their purchase orders weekly. The approval status of a purchase order may be confirmed in the Skyward system.

All vendors must be given a PO number before ordering or making a purchase. If the exact amount is not known, enter a good estimate and do not forget to include shipping and handling charges. If an invoice exceeds the purchase order amount by \$100, a supplemental PO needs to be issued to cover the additional amount. If the invoice is less than the PO amount or less than the \$100 threshold, the PO amount will be adjusted when the check is cut.

Always use the purchase order number when placing orders to vendors. If the District has an "account" with a vendor, a requisition should still be entered and a purchase order number obtained PRIOR to making a purchase.

2. When the item(s) cost less than \$50, pay out of available Petty Cash funds and include support in your monthly check request or requisition for petty cash reimbursement.
3. The District's [Purchasing Levels & Requirements](#) must be followed for all purchases made on the District's behalf.

For purchases less than \$10,000, three quotes are desired but not required.

If the requisition is for an item(s) costing \$10,000 but less than \$50,000, one of the following must occur:

- Three (3) quotes should be obtained and the [Three Quote Form](#) must be completed. One of the three quotes must come from a vendor that is a member of one of the District's cooperatives. If this option is utilized, please include "Quotes Obtained" in the description of the requisition.
- The vendor must be a member of one of the District's member cooperatives. The name of the cooperative should be included in the description of the requisition. Member cooperatives can be found on the Business Office webpage.

For purchases greater than or equal to \$50,000, one of the following must occur:

- The District must obtain three quotes ALL from member cooperatives. The Three Quote Form must be completed.
- Formal competitive bids must be received. Please see section below.

4. Purchases Requiring Competitive Bids: A purchase or aggregate purchases for \$50,000 or more must be made through the competitive bid process if vendors of the member cooperatives are not used. This will be done by the Business Office upon receipt of the user's needs or product requirements furnished by the Principal or Supervisor. Other pertinent facts and regulations relating to competitive bidding are:
  - a. Related Purchases: As a rule of thumb, in determining a category of items to group for competitive bidding, schools should pool related classes or types of items, or consumable supplies, such as athletic supplies, automotive supplies, office supplies, cafeteria commodities, gasoline, books, instructional supplies and so forth, costing more than \$50,000 in the aggregate, should be bid. Competitive bidding requirements also apply to purchases of computer and computer-

related equipment, if the purchases are not exempt under existing law.

- b. **Lease Purchases:** Competitive bidding law also applies to property, such as office equipment, school buses, and computer equipment, acquired through lease-purchase agreements (a lease-purchase is a lease agreement by which a district can acquire title to an item after the completion of installment payments by exercising a bargain-price purchase option). Multi-year contracts, such as lease agreements and various kinds of service agreements, must contain a non-appropriation clause. Such a clause provides the district, on an annual basis, the right to reconsider a contract during the budget process if financial resources of the district are insufficient to meet the financial liabilities of said contract. **Only the Superintendent or designee may execute a lease contract or may obligate the District to future installment payments.**
  - c. **Subsequent Purchases of Previously Bid Items:** Subsequent purchases totaling \$50,000 or more of items previously bid must also be bid, unless the original contract specifies additional units or additional dollar volume amount. If not provided for in the original contract, such purchase cannot be made from the same vendor, even at the same bid price(s), without competitive bids.
  - d. **Equipment Repairs:** Competitive bidding requirements cover equipment repairs including repairs to both personal property and buildings. If a repair comes to the attention of the district before a similar one is performed for the same type of equipment and the combined repairs will exceed \$50,000, then the combined repairs must be competitively bid. The only exception is when the board of trustees makes a prior determination that classroom instruction would be impaired by the delay in time to obtain competitive bids.
5. The District offers account cards that may be checked out to make purchases. The following vendors are available:
- Office Depot
  - Wal-Mart

The cards are housed with the Secretary to the Assistant Superintendent of Finance. A purchase order number must be brought to check out a card. The card and **original** receipts must be returned within two (2) business days of checking out. Please tape all receipts to an 8.5 x 11 sheet of paper. Do not tape over the print on the receipt. If necessary, cut and tape the receipt on multiple sheets of paper to ensure the whole receipt is shown.

6. Requisitions should be entered to vendors. Few situations should require the requisitions be made to an employee.
- If a vendor does not take a purchase order or a check, the secretary shall contact the Business Manager or Assistant Superintendent of Finance to request approval for use of the District's credit card.
7. The District is exempt from paying state sales tax; therefore, state sales tax will not be reimbursed to employees including Petty Cash. A Hotel Tax Exempt Form and a Sales Tax Exempt Form are located on the website. Employees should print the applicable form and submit with payment.
- Personal transactions of the employee are not exempt from sales tax and should be made separately from the District purchases.
8. A blanket ("annual" or "open") PO **must** be approved by the Assistant Superintendent of Finance before it is entered into the system. A blanket PO is one that is used for multiple purchases with the same vendor.
9. The requisition entry should be completed thoroughly. All shipping instructions, receiving instructions, handling instructions, or any additional information necessary for the vendor/applicable party to correctly process the order should be included when entering the requisition. An explanation should be entered in the first "Description" section of the requisition. This section appears on supplemental reports and should be specific enough for the reader to understand what is being purchased.
10. Any important data should be entered on the requisition for the Business Office's information such as:
- a. In the rare instance that an order needs to be pre-paid, enter on the requisition to pay in advance. An invoice, statement or contract should be signed by the supervisor and submitted to the Business Office to authorize payment in advance.

- b. Enter on the requisition that the price is a “quote” if you expect a different price to appear on the invoice.
  - c. Enter on the requisition the freight, postage or handling charges that will be charged on the invoice, if determinable or if quoted over the telephone by the vendor. If not determinable, enter an estimate for freight charges (ten percent is a good rule of thumb).
11. Requisitions are approved daily by the Business Manager and Assistant Superintendent of Finance. If a requisition is approved or denied, the originator will receive notification and will be able to see the status in the Skyward System.
12. Any requisition that causes an account to be overspent will be denied unless the overage is pre-approved by the Assistant Superintendent of Finance.
13. “Rush” Purchase Orders – **rarely** should a “Rush” purchase order be requested. When an event is known a week or more in advance, failure to enter a requisition in sufficient time for the Business Office to process a check does **not** constitute a “Rush.”
- “Rush” requests should be sent to the Secretary of the Asst. Supt. of Finance and must be approved by the Asst. Supt. of Finance before processing. Supporting documents should accompany all “Rush” requests.
14. When incoming merchandise, such as supplies and capital outlay items, is ordered and received:
- a. All receiving is done on the Skyward System. Please refer to **Web Requisition Procedures** on how to receive. **Do not send shipping or receiving documents to the Business Office as payment authorization.**
  - b. Items received at the Warehouse will be inspected for damage and manufacturer’s defects. Damaged or defective merchandise will be noted on the consignee delivery receipt. Before the delivery driver leaves, Warehouse personnel will notify the secretary at the appropriate building of the damage/defect.
- It is the Secretary, Principal or Supervisor’s responsibility to notify the vendor and/or the freight company of the damage/defect.** Document your phone call in writing. A claim with the freight company may have to be filed if damage is discovered. The Warehouse should not accept deliveries without inspection. Writing ‘subject to inspection’ on the receipt will not protect you.
- The Warehouse will keep the damaged/defective goods and all packing materials in a safe place until the carrier makes an inspection and/or the problem is resolved. Notify the Business Office when and how the problem is resolved.
- The carrier’s inspection must be made at the delivery site.
- c. Accounts Payable **must** be notified when merchandise is returned or credits are issued.
  - d. **Prior approval from the appropriate supervisor is required for items to be purchased offsite. If prior approval is NOT obtained, then the employee may not be reimbursed.** When school merchandise is purchased offsite by an employee and is paid for personally by that employee, a requisition should be prepared and approved for reimbursement of the employee before the purchase is made. The purchase order should be received once the employee returns with receipts. Original receipts should be returned to the Business Office so the employee can be reimbursed. **Please tape all receipts to an 8.5 x 11 sheet of paper.**
15. Reorders are not to be placed on a previous purchase order. If merchandise is returned, damaged, etc., and you need to reorder, a new requisition is required.
16. Vendors should mail invoices directly to the Business Office for verification with the purchase order. Any original invoice received by a department should be forwarded immediately to the Business Office with the purchase order number included on the invoice. **Rarely should the requisition be prepared after the invoice is received.**
17. Once the purchase order has been received in Skyward, the Business Office will attach the invoice to the appropriate purchase order and will pay from the original invoice. The Business Office will not pay from an invoice copy unless the copy itself has an original signature of approval from the Assistant Superintendent of Finance.

Before an invoice is paid, the Business Office must have:

- a. Receiving of the purchase order in Skyward.
- b. Original invoice from vendor. All invoices are to be sent directly to the Business Office, Attention: Accounts Payable.
- c. Signed, completed travel request forms with supporting documents. See Section 2: Travel Requests.
- c. If an invoice exceeds the purchase order amount by \$100, a supplemental requisition needs to be entered to cover the additional amount.

18. The following types of purchases require special supporting documentation as indicated:

- a. **Subscriptions** – should be entered as a requisition and supported with an order form signed and dated by the employee and supervisor. The purchase order should be received in Skyward when the subscription begins to arrive.
- b. **Pay stipend or payment to employee for extra work performed** – A payment to an employee for extra work performed should NOT be entered as a requisition or check request. Such payments should be requested on a Stipend Form or time sheet. Stipend Forms shall be submitted to the Personnel Office for approval. Timesheets shall be submitted to the appropriate Budget Manager for approval and submission to payroll.
- c. **Membership Dues, Registration Fees and Field Trip expenses** – should be entered as a requisition or a check request and supported with a signed Travel Request Form and other applicable documentation. (See Section 8: Check Requests and Section 2: Travel Requests)
- d. **Contracted Services** – Fees for referees, UIL judges and other contract labor should be entered as a requisition and supported with a signed Athletic Game Report or other such document. The Supervisor should sign the report acknowledging receipt of the service from the person being paid.
- e. **Other Services** – Professional services, rental contracts, service contracts, licensing fees, utility fees, and other such services should be entered as a requisition and supported with an invoice, statement or contract document, **signed and dated** by the supervisor.

19. Closing out a purchase order: When a purchase order remains open and unpaid for at least 30 days after the approval date, the campus or department is expected to take action with the vendor to obtain delivery. The Business Office can sometimes assist in dealing with vendors where there are delivery problems, particularly involving merchandise purchased on bids. However, the Business Office usually does not have firsthand knowledge of whether the merchandise ordered has been received and/or billed. **Every effort should be made by the campus or department to promptly close out a purchase order once merchandise is received or it is determined that, for some reason, the purchase order should be cancelled.**

20. Procedures for requesting missing Requisitions/Purchase Orders, Invoices or Receiving are as follows:

- a. 1<sup>st</sup> request will be sent from the Business Office by email to the campus or department secretary.
- b. 2<sup>nd</sup> request from the Assistant Superintendent of Finance's Secretary will be sent by email seven days after the original request to the campus or department secretary.
- c. 3<sup>rd</sup> request will be sent by email from the Assistant Superintendent of Finance to the Principal or Supervisor seven days after the second request.

It is the purchase order generator's responsibility to ensure that the purchase order, the invoice and the receiving are submitted promptly to the Business Office.

21. In the event it is necessary to cancel a purchase order, the Campus/Department should notify the vendor and should inform the Business Office of the cancellation. Please include the vendor name and purchase order number in the notification to the Business Office.

# Section 2: TRAVEL REQUESTS



## TRAVEL REQUESTS

Travel Requests may be entered as a requisition (Section 1) or as a check request (Section 8).

1. Prepare a [Travel Request Form](#) to be submitted when requesting **an advance or reimbursement** for:
  - a. A meal allowance, not to exceed the Board approved rates, **for meals that are not already provided for you or your students at your destination** (i.e. continental breakfasts, hosted dinners, conference provided lunches, etc.);
  - b. Mileage driven in your personal auto, **if a school vehicle is not available**. Other business travel related expenses are reimbursable such as parking fees and toll road charges. Before traveling, inquire with the Transportation Department as to the availability of a school vehicle for your trip.
  - c. Other reasonable expenses incurred while conducting school business such as registration charges, membership dues, reference materials, field trip fees per person, etc.; (see 2.e. below)
  - d. Reasonable lodging costs for yourself, co-workers or students. If multiple District employees are attending, the minimum amount of employees per room should be two. When reserving a room or rooms, request the "State of Texas Contract Rate." If the hotel does not offer the State rate, you may go to [www.window.state.tx.us/procurement](http://www.window.state.tx.us/procurement), click on State Travel Management Program, then click "Hotel Directory" for a listing of hotels offering State rates.

2. The Travel Request Form should be completed for pre-authorized school business trips as follows:

- a. Enter the employee's name(s), trip destination and reason for trip.
- b. Enter the current date, date and time of departure, and date and time of return.
- c. Under "Meals," enter separately the total number of breakfasts, lunches and dinners that will elapse while away on school business **and that are not provided for you at your destination**, as follows:
  1. Meals for adults.
  2. Meals for students, if it is for a co-curricular and/or school sponsored trip.

A list of all trip goers' names should be attached to the Travel Request. The list must differentiate between students and teachers/sponsors/chaperones.

Please note if more than one employee of the District is traveling and receiving meal money, a separate Travel Request Form must be completed and signed for each employee.

- d. Under "Transportation," enter the number of miles that you estimate driving or those you actually drive in your personal car from the school premises to your destination and back to the school premises, as well as any other customary and reasonable transportation expenses related to your business trip such as parking fees and toll road charges supported by attached receipts. Attach support from MapQuest reflecting the round trip miles traveled. The school will not reimburse you for commuting miles driven from your home to the school premises and back.
- e. Under "Other Expenses," enter other customary and reasonable expenses such as registration charges, membership dues, reference materials, field trip fees per person, etc., supported by attached receipts.
- f. Under "Lodging," enter total number of rooms required, total number of nights away from home, and room rate (include any city tax applicable) per night for estimated or actual lodging costs. Need documentation (email confirmations). Please include a list of all room occupants if more than the one individual stated in "a" above.
- g. Calculate across the page for the total dollar amounts to be advanced for each expense category or enter the total amount actually spent and reimbursable.

- h. Under "Budget Account Number(s)," enter a budget account number for each group of expenses or if all costs will be charged to one account number, enter that code on the last "Budget Account Number" line of the form.
3. Travel Request Forms should be signed by the staff person and supervisor and then entered as a check request or requisition.
  4. Travel money should be requested **BEFORE** the trip:
    - a. The Travel Request Form should be completed and signed, and entered as a requisition or check request at least two weeks prior to the date of departure. Rarely is a RUSH request justified for travel advances or reimbursements. If abused, the employee or his or her supervisor may be prohibited from any future travel advances and additional action may be warranted.
    - b. The employee should provide documented support with the original Travel Request for travel money advanced for registration charges, membership dues, field trip fees and other pre-paid expenses.
    - c. Per Diem allowances for meals and mileage are approved by the school board and shall not exceed the rates allowed by the General Appropriations Act of the State of Texas. Complete and proper documentation (i.e. meal receipts) is not required to support per diem allowances unless specifically requested by the Superintendent or designee. The per diem rates are stated on the Travel Request Form for students and adults.
    - d. Proper accounting and documentation of the advance must be made when returning from the trip. ALL receipts, tickets and other supporting documentation MUST be submitted to the Business Office, along with any unused money, within five days of the employee's return (excluding per diem allowances mentioned above). The employee is responsible and liable to the District for returning any unused money so it can be restored to the applicable budget account. If receipts and excess money, if applicable, are not returned within five business days, the employee may be prohibited from any future travel advances and additional action may be warranted.
    - e. If the original advance was not sufficient to cover all reasonable and necessary expenses, excluding expenditures that are covered in the per diem amount noted in 4c above, then the employee must submit an additional Travel Request Form to be entered as a new requisition showing the amount owed to the employee. Appropriate receipts and documentation supporting the reimbursement request must be attached. Reimbursement may not be made if it is deemed that the expense was not customary, necessary or reasonable in conducting school business, or if the proper receipts or documentation are not submitted to support the reimbursement claim.
    - f. For MEALS where the amount actually spent exceeds the per diem allowance authorized by the school board, no additional reimbursement may be granted. If the employee paid for the meal of a guest or guests while conducting school related business, the purpose and persons involved are documented, the cost of said meal is reasonable and customary, and the expense is approved by the employee's supervisor and the Superintendent, then reimbursement for an amount exceeding the allowance may be granted.
  5. In the rare instance when circumstances do not allow money to be requested prior to a trip (i.e. playoffs), employees have 30 days to submit a requisition for reimbursement. (**Note:** Travel money should be requested **BEFORE** the trip.):
    - a. A requisition must be entered and not a check request. (See section 1)
    - b. The employee must complete a Travel Request Form and attach to it **all** receipts, tickets and other documentation necessary to properly support the amounts being requested for reimbursement and submit it for Requisition entry. The Travel Request and attached receipts should be forwarded to the Business Office. **Meal reimbursement will be for the lesser of the total meal receipts submitted or the per diem allowance established by the Board of Trustees.** (See section 4c above.) The District will reimburse tips for meals up to 15% of the total ticket price less sales tax.
    - c. Employee must submit original receipts only. Receipts should include an itemized list of what was purchased as well as proof of payment. Reimbursement will not be paid if these are not provided.
    - d. State sales tax will not be reimbursed on any receipts.

- e. Reimbursement may not be made if it is deemed that the expense was not customary, necessary or reasonable in conducting school business, or if proper receipts or documentation are not submitted to support the reimbursement claim.
6. If a conference or event requires payment in a form other than check or purchase order, the secretary shall contact the Business Manager or Assistant Superintendent of Finance and request use of the District's credit card. Employees should not pay for conferences or events out of their own pockets. Unless there is an emergency or other approved circumstance, if the employee does not attend the conference or other event paid for by the District and the District cannot get the money refunded by the vendor, the employee will need to reimburse the District.

If an employee pays out of pocket to attend a conference or other event, the employee will not be reimbursed until after the conference or other event has been attended. If the conference or other event is not attended, the employee will not be reimbursed by the District.

7. As a courtesy for employees traveling a long distance in a school vehicle, a school gasoline credit card may be checked out from the Business Office if:
  - a. The employee has not received a travel advance for mileage;
  - b. A school vehicle is being driven; and
  - c. The employee is traveling over 100 miles one-way.

The school gasoline credit card may not be used to purchase gasoline or any other items for an employee's personal vehicle or for an employee's personal use.

Gas cards and original receipts should be turned in within two business days following the trip.

8. Field Trips – if a campus has a contract with a museum, amusement park or other such field trip destination place, the contract should be attached to a signed Travel Request Form that specifies the number of students and adults traveling and other expenses related to the field trip. (See section 2 above)
9. If a spouse of a District employee is traveling with the employee, there should be no increase in cost to the District for the extra traveler. If an additional room needs to be purchased to accommodate the spouse, the District employee and spouse shall cover the costs to ensure there is no increase in cost to the District for the spouse's attendance.
10. Student Activities - Contests and Competitions
  - a. UIL Post-District Competitions – Students may be permitted to take school-sponsored trips, including overnight trips if necessary, for UIL-sanctioned competitions based on advancement through various levels of competition. UIL sponsors of students participating in UIL-sanctioned competitions where the participating student or team advances beyond District competition may request funding from the District's Post District account as per FMF (local) policy to attend post-district competitions. BHISD students must be participating in the post-district competition to request post-district funds. Completed travel requests along with all supporting documentation shall be submitted to the campus administrator for initial recommendation and approval. Following campus administrator recommendation and approval, the completed travel request shall be forwarded to the Business Office for final approval. No organization shall be permitted an out-of-state overnight trip, except as provided by policy.
  - b. Non-UIL Competitions- As per policy FMF (local), contests and competitive activities that are sponsored by outside organizations shall not be recommended to students unless the activities supplement and do not interfere with the regular school program. Contests and competitive activities shall have the prior approval of the Superintendent or designee, who shall develop the necessary rules and regulations to implement this policy.
  - c. To implement this policy, other non-UIL competitions may be recommended by the campus administrator for consideration if they meet the requirements established in FMF (local). For consideration, competition must be based on advancement through various levels of competition. BHISD students must be participating in the post-district competition to request post-district funds. Completed travel requests along with all supporting documentation shall be submitted to the campus administrator for initial recommendation and approval. Following campus administrator

recommendation and approval, the completed travel request shall be forwarded to the Business Office for consideration and final approval. No organization shall be permitted an out-of-state overnight trip, except as provided by policy

# Section 3: STUDENT ACTIVITY

## STUDENT ACTIVITY

Board Regulation CFD (LOCAL) provides for the establishment of Activity Funds for the management of all class funds, organization funds, and any other funds collected from students for a school-related purpose. The principal shall be responsible for the proper administration of student funds in accordance with state and local law, District-approved accounting practices and procedures, and the TEA *Financial Accountability System Resource Guide*.

Activity fund accounts may consist of student organization funds and campus activity funds.

Campus activity funds are generated by the campus at the direction of the principal from various activities such as class dues or fees, vending machine commissions, school store sales, school snack bar sales, class ring sales, donations and other student user fees.

1. Money raised by student organizations is held in trust by the District for the benefit of the student organization. A separate activity fund account is created by the Business Office for each student organization and funds are managed in accordance with District policy. Students shall avoid keeping money overnight, and no money shall be left in classrooms overnight. Principals are responsible for communicating all procedures to sponsors and applicable students. (For Fundraising Procedures, see attached documents)
2. **After money is collected by the sponsor, the campus secretary shall count the money in the presence of the sponsor. The secretary shall sign the bottom of the Activity Fund Deposit form and the sponsor shall initial the form. The sponsor shall be given a copy of the signed deposit form which will serve as their receipt.**
3. The campus secretary from 2 above (or other campus designee) shall personally deliver the money to the Business Office within five days for depositing. The completed and signed Activity Fund Deposit form must accompany all money brought to the Business Office. Bank bags will be provided to each campus secretary and all money must be personally delivered to the Business Office in these bank bags. **Money shall not be sent through inter-office mail or delivered to the Business Office in inter-office envelopes.**
4. Once the money and form are hand delivered to the Business Office, the money will be recounted in the presence of the campus secretary or designee and the deposit form will be signed by a Business Office designee. A copy of the deposit form signed by the Business Office designee will then be returned to the principal or supervisor for their records. This procedure will allow the principal or supervisor to be notified immediately of any discrepancy between the funds and the deposit form.
5. All funds collected by student groups must be receipted and deposited into the bank by a Business Office designee no later than five business days from the day they are collected.
6. All activity fund disbursements must be made by purchase order and approved by the responsible principal or supervisor. Adequate support by original invoices, cash register receipt, etc., must be provided to the Business Office as support for any payment made from the activity fund. (See Sections 1 & 8.)
7. All merchandise used in student fundraising projects must be ordered using proper purchasing procedures. (See Sections 1 & 8.) No blanket purchase orders shall be issued for fund raising project merchandise. Additional items of merchandise shall be ordered on new requisitions and may not be added to the existing purchase order.
8. Merchandise shall be delivered to the warehouse and then to the campus and, once there, shall be the responsibility of the sponsor. Merchandise ordered by parent organizations must be delivered to a place other than the school campus.
9. **All funds raised by student organizations or collected through student activities must be expended for the direct benefit of the students.**
10. Allowable uses of campus activity and student organization funds include:
  - The cost of field trips, including items such as admission fees, snacks, and other costs.
  - Expenses for food items, favors, and other incidentals used in seasonal or holiday parties and programs.
  - Cost of school assemblies and special programs, class picnics, student dances, and other student events.
  - Expenses for the sponsor and chaperones of an approved student trip.
  - The cost of contest entry fees.
  - The cost of building use fees and security fees for an approved event.
  - Cost of symbolic medals, plaques or trophies for students.

- Expenses associated with the senior prom, senior day, and graduation.
  - Non-cash awards for student achievement such as gift certificates are allowed. Certificates may not be awarded randomly or in a lottery fashion, but must be earned by the student.
  - School supplies, uniforms, and other school related items for students who qualify as economically disadvantaged.
  - A required deposit or fee for a student who qualifies as economically disadvantaged.
  - Items used to beautify classrooms and playgrounds or other campus areas used or occupied by students.
  - Items for classroom use or materials used to supplement curriculum.
  - Cost of campus afterschool programs.
11. Funds belonging to outside groups, such as PTA/PTO, Booster Clubs, and Project Graduation are not agency funds or activity funds and should not be handled by school personnel as part of their official school duties unless authorized by the Superintendent. Such funds should be handled only by officers or the designated treasurer of the organization.
  12. Activity funds may not be used for cash gifts to students or to purchase gifts for employees. A “gift” is defined as a gratuitous offering for personal benefit that is random and unearned and does not serve a legitimate educational interest. Employees and students may donate personal funds to be applied toward the purchase of a gift.
  13. **Improper use of student activity funds by an employee may result in disciplinary action.** If a principal, supervisor, or sponsor suspects fraud or has knowledge that theft or fraud has occurred, they shall immediately contact the Chief of Police and the Assistant Superintendent of Finance.
  14. At a minimum, activity fund accounts should be reviewed monthly for accuracy by each sponsor and by the principal or supervisor. Questions should immediately be addressed to the Business Office.
  15. The principal or supervisor shall be responsible for communicating the guidelines for processing activity funds to all sponsors, ensuring that they are informed of all the proper administrative procedures as documented in this manual.
  16. A campus principal may not enter into a contract giving a vendor the exclusive right to sell property or services to students and/or staff without prior review and approval by the Superintendent or designee.

# Section 4: PETTY CASH



## PETTY CASH

Board Regulation CHB allows for the use of petty cash funds for administrators to make emergency purchases, buy small non-emergency items and make needed repairs. Petty cash funds are provided as a time saving mechanism for minimal dollar purchases for campuses and departments. A Sales Tax Exempt Form is located on the District website for all purposes, including petty cash. All campus and departments maintaining a petty cash fund should exercise specific controls over their use as follows:

1. The petty cash fund should be kept separate from all other funds. There should be no comingling of funds.
2. Only one person should be responsible for the petty cash fund. Access to the fund should be denied to all others, and the fund should be kept in a locked box or bag located in a secure area.
3. The maximum amount of the petty cash fund will be \$100 unless otherwise authorized by the Superintendent or Assistant Superintendent of Finance in writing.
4. **At all times, petty cash should equal \$100 in cash or a combination of cash and receipts that total \$100.** (or whatever amount is authorized by the Superintendent or designee)
5. The petty cash fund will be reimbursed by the Business Office for the amounts paid out upon presentation of documents for reimbursement (excluding sales tax). **All petty cash disbursements must be supported by original receipts which are to be submitted with the [Petty Cash Report](#).**
6. Complete the [Petty Cash Report](#), listing all expenses for the reimbursement period.
7. Include all receipts with the Petty Cash Report and prepare a requisition or check request for reimbursement. Forward the Petty Cash Report with original receipts to the Business Office. Purchases will not be reimbursed unless accompanied by a receipt and noted on the petty cash report.
8. A check will be issued for the amount on the Petty Cash Report. When the check is cashed and the money is placed back into the petty cash fund, the total petty cash amount should equal the beginning petty cash balance. (ex. \$100)
9. The Petty Cash Fund should be reconciled **monthly**.
10. **The Petty Cash Fund may NOT be used for:**
  - **Payment for services performed by employees or non-employees**
  - **Advances**
  - **Personal loans and cashing personal checks**
  - **Personal expenses**

**Improper use of petty cash may result in disciplinary action.**
11. A designee from the Business Office may periodically perform a surprise audit of your petty cash fund.

# Section 5: FUNDRAISING

## **FUNDRAISING GUIDELINES**

Schools and school organizations may engage in fundraising projects to support the school activities using guidelines designed to provide that organization the opportunity to earn these funds. As per Board Policy FJ, the following guidelines shall address student fundraising plans, approval of fundraising activities, and any required reporting on fundraisers by campus administrators. Refer to the [Charitable Fundraising](#) section for specific district guidelines on fundraising for charitable purposes.

## ELEMENTARY SCHOOLS FUNDRAISING

The communitywide Fall Festival represents one fundraiser for each elementary campus. In addition, each elementary campus may have one additional campus wide fundraiser during the year. The campus library may conduct two book fairs during the year (one per semester) that sells educational materials, books and magazines. These book fairs are in addition to the designated campus wide fundraiser(s). No campus organization may have a separate fundraiser at anytime during the year. There are several activities that are not considered fundraising and are exempt from the fundraising guidelines; these are noted in the last paragraph of this section.

Elementary school fundraising activities are limited to selling:

1. Meals
2. Spirit apparel
3. Educational materials, books and magazines

The following types of items may not be sold through school sponsored fundraisers by students in kindergarten through fifth grades as determined by the Superintendent or designee;

- Cups
- Trinkets (items of little value as determined by the Superintendent or designee)
- Discount coupons or coupon books
- Gift brochures
- Candy, cakes, cookie dough or any other snack items apart from an approved meal
- Personal services for car washing, yard work, house cleaning and any other hired service
- Holiday and/or home decorative items (i.e., candles, wreaths, etc.)
- Gift wrap
- Credit cards
- Care packages

Campuses are not allowed under Texas law to conduct raffles, bingo, and other games of chance. Online fundraisers are not allowed.

### **Fundraiser Preparation:**

AT LEAST TWO MONTHS PRIOR TO THE CAMPUS FUNDRAISER, the Principal or designee shall appoint a committee of teachers who represent the organizations participating in the fundraiser or who represent the campus as a whole. The Principal or designee shall chair the committee.

The committee shall determine the process of raising funds, whether the sales item(s) will be purchased directly from a vendor or whether a fundraising company will be used.

The committee shall:

- a. Determine the target population for sales.
- b. If an outside fundraising company is used, interview at least three District-approved vendors to determine which company offers the best product that may yield the greatest amount of profits for the campus that semester. *(The company chosen must be able to account for sales by organization and shall present a full accounting of sales by organization to the committee and/or principal at the end of the fundraiser.)*
- c. Choose one two-week period during the semester when sales will take place.
- d. Estimate revenues to be raised.
- e. Estimate total expenditures related to the fundraiser.

After the committee meeting(s), the Principal or designee shall complete a [Fundraising Project Request Form](#) and submit it to the Superintendent or designee's office for approval at least two months in advance of the semester fundraiser.

The Principal or designee shall request on the form the TWO WEEK period during the year in which the fundraiser shall occur. **ABSOLUTELY NO SELLING SHALL OCCUR BEFORE OR AFTER THIS TWO WEEK PERIOD.** If the two week period has already been assigned to another campus by the Superintendent or designee, another two week period must be chosen.

Approval from the Superintendent or designee is required BEFORE purchasing any fundraising items. Violation of this policy may result in a written reprimand and/or personal reimbursement to the District by the responsible employee.

**Fundraiser Results:**

All money collected by students must be given to the sponsor (or Committee chairperson). The sponsor will personally remit the money to the principal or designee who will IMMEDIATELY count it IN THE PRESENCE OF THE SPONSOR. The Principal or designee shall ensure that the money is accounted for by organization and shall deposit it with the Business Office within one week of the last day of the two-week fundraising period. Any subsequent deposits from the same fundraiser shall be handled in the same manner.

The Principal or designee shall complete a [Results From Fundraiser Form](#) and submit it to the Assistant Superintendent of Finance or designee with the final cash deposit.

**Soliciting Funds:**

Students or teachers may NOT represent the school or any school organization in soliciting donations from the general public in a public venue of any kind (i.e. outside a store, at a street intersection, at a church parking lot, etc.) unless preapproved by the Superintendent or designee.

Students or teachers may NOT sell items randomly door to door in community neighborhoods unless preapproved by the Superintendent or designee.

There shall be no solicitations of local businesses in the name of the school unless approved by the Superintendent or designee.

No outside organizations may solicit contributions of any type from students on school property during school hours.

Students shall not be permitted to participate in fund drives for nonschool charitable organizations as official representatives of their school unless approved by the Superintendent or designee.

The campus shall not raise money by allowing students to make restitution for damage to real property or for injury to others. Any such restitution shall be approved on a district wide basis by the Superintendent or as ordered by a court of law.

The campus shall not raise money by allowing students to make restitution for student misconduct, as defined in the student handbook, unless otherwise allowed by Board policy.

**Exclusions:**

The following items are not considered fundraisers and do not need to follow the fundraising guidelines noted above:

1. Student pictures
2. Memory books
3. District spirit shirts and passes
4. Box tops
5. Agendas
6. Items crafted as part of a class, such as Life Skills, as long as prices of items are minimal (ie. \$1 or less), there is an educational purpose, and the sale does not result in a profit.
7. Items that promote school spirit, fellowship and camaraderie and do not exceed an individual sale price of \$1.00. These must be in school sales primarily targeted for students at pre-approved times (i.e. lunch, before or after school).
8. Fines/fees for lost, damaged, or overdue books and for other lost or damaged district property used for instructional purposes.

## SECONDARY SCHOOLS FUNDRAISING

A secondary campus may have one campus wide fundraiser per semester. Any campus club or organization may participate. A campus club or organization may NOT have its own separate fundraiser unless it is conducted by a Booster Club under guidelines listed below. The library may conduct two book fairs during the year (one per semester) that sells educational materials, books and magazines. These book fairs are in addition to the designated campus wide fundraiser(s). There are several activities that are not considered fundraising and are exempt from the fundraising guidelines; these are noted in the last paragraph of this section.

The following types of items may not be sold through school sponsored fundraisers by students in sixth through twelfth grades:

- Trinkets (items of little value)
- Discount coupons or coupon books
- Gift brochures
- Personal services for car washing, yard work, house cleaning and any other hired service
- Holiday and/or home decorative items (i.e., candles, wreaths, etc.)
- Gift wrap
- Credit cards
- Care packages

Campuses are not allowed under Texas law to conduct raffles, bingo, and other games of chance. Online fundraisers are not allowed.

### **Fundraiser Preparation:**

AT LEAST TWO MONTHS PRIOR TO THE SEMESTER FUNDRAISER, the Principal or designee shall appoint a committee of sponsors and/or students who represent the organizations participating in the semester fundraiser. The Principal or designee shall chair the committee.

The committee shall determine the process of raising funds, whether the sales item(s) will be purchased directly from a vendor or whether a fundraising company will be used.

The committee shall:

1. Determine the target population for sales.
2. If an outside fundraising company is used, interview at least three District-approved vendors to determine which company offers the best product that may yield the greatest amount of profits for the campus that semester. *(The company chosen must be able to account for sales by organization and shall present a full accounting of sales by organization to the committee and/or principal at the end of the fundraiser.)*
3. Choose one two-week period during the semester when sales will take place.
4. Estimate revenues to be raised.
5. Estimate total expenditures related to the fundraiser.

After the committee meeting(s), the Principal or designee shall complete a [Fundraising Project Request Form](#) and submit it to the Superintendent or designee's office for approval at least two months in advance of the semester fundraiser.

The Principal or designee shall request on the form the TWO WEEK period during the semester in which the fundraiser shall occur. **ABSOLUTELY NO SELLING SHALL OCCUR BEFORE OR AFTER THIS TWO WEEK PERIOD.** If the two week period has already been assigned to another campus by the Superintendent or designee, another two week period must be chosen.

Approval from the Superintendent or designee is required BEFORE purchasing any fundraising items. Violation of this policy may result in a written reprimand and/or personal reimbursement to the District by the responsible employee.

### **Fundraiser Results:**

All money collected by students must be given to the sponsor (or Committee chairperson). The sponsor will personally remit the money to the principal or designee who will IMMEDIATELY count it IN THE PRESENCE OF THE SPONSOR. The Principal or designee shall ensure that the money is accounted for by organization and shall deposit it with the Business Office within one week of the last day of the two-week fundraising period. Any subsequent deposits from the same fundraiser shall be handled in the same manner.

The Principal or designee shall complete a [Results From Fundraiser Form](#) and submit it to the Assistant Superintendent of Finance or designee with the final cash deposit.

**Soliciting Funds:**

Students or teachers may NOT represent the school or any school organization in soliciting donations from the general public in a public venue of any kind (i.e. outside a store, at a street intersection, at a church parking lot, etc.) unless preapproved by the Superintendent or designee.

Students or teachers may NOT sell items randomly door to door in community neighborhoods unless preapproved by the Superintendent or designee.

BHISD does not authorize the utilization of outside companies to solicit business for advertising dollars to support items for promoting spirit or for team schedules unless approved by the Superintendent or designee.

No outside organizations may solicit contributions of any type from students on school property during school hours.

The campus shall not raise money by allowing students to make restitution for damage to real property or for injury to others. Any such restitution shall be approved on a district wide basis by the Superintendent or as ordered by a court of law.

The campus shall not raise money by allowing students to make restitution for student misconduct, as defined in the student handbook, unless otherwise allowed by Board policy.

Students shall not be permitted to participate in fund drives for nonschool charitable organizations as official representatives of their school unless approved by the Superintendent or designee.

**Camps:**

Secondary schools may allow coaches and sponsors of district sanctioned extracurricular teams and squads to conduct a youth skills camp on a fee basis as approved by the Principal, as long as it benefits Barbers Hill students and goes on no longer than one week during school holidays and the summer, and no longer than one weekend during the school year. Conducting such a camp shall be in compliance with any and all U.I.L. rules and regulations.

**Exclusions:**

The following items are not considered fundraisers and do not need to follow the fundraising guidelines noted above.

1. Student pictures
2. Memory books
3. District spirit shirts and sports passes
4. Box tops
5. Agendas
6. Items crafted as part of a class, such as Life Skills, as long as prices of items are minimal (ie. \$1 or less), there is an educational purpose, and the sale does not result in a profit.
7. Items that promote school spirit, fellowship and camaraderie and do not exceed an individual sale price of \$1.00. These must be in school sales primarily targeted for students at pre-approved times (i.e. lunch, before or after school).
8. Fines/fees for lost, damaged, or overdue books and for other lost or damaged district property used for instructional purposes.
9. Concession stands

## CHARITABLE FUNDRAISING

Barbers Hill ISD recognizes that Eagles Serving Others through the collection of donations or volunteering of time for charitable purposes is a noble cause, which provides much needed assistance to worthy organizations and creates a wonderful learning experience for students. Nevertheless, it is necessary to ensure that practical measures are in place to provide the most secure environment for these efforts. We encourage community service projects with an emphasis on civic service rather than monetary collections. We also encourage that charitable fundraising efforts support charitable organizations that are classified as a 501(c)(3) in the IRS code.

### DISTRICT WIDE

All district wide Eagles Serving Others charitable fundraisers will be determined by the Superintendent or designee. Examples are American Cancer Society through Relay for Life and Eagles vs. Cancer event, the Holiday Adopt a-Family program coordinated through the District Social Worker, and Toys for Tots coordinated through the BHISD Police Department.

### ELEMENTARY SCHOOLS

Each semester, elementary campuses may participate in one charitable fundraising endeavor that involves monetary collections. Examples are Emma's Hugs, Kitty Kash, Doggie Dough, Jump Rope for Heart, etc. Some of these may involve coin jars/buckets. Due to the difficulties present in handling large amounts of coins, both in terms of controls over the money and challenges in making deposits, we discourage this practice, but recognize that in certain circumstances, this may be an appropriate method. The campus will be responsible for rolling coins and deposits to the Business Office must be in cash. The campus principal shall ensure that the charitable organization has been thoroughly vetted, that they are a 501(c)(3) organization, and that all fundraising procedures are followed. All proceeds earned shall be donated to the organization for which the activity was conducted. The two-week selling rule will be waived if there are no items being sold.

As mentioned above, we encourage community service projects with an emphasis on civic service rather than monetary collections. Elementary campuses may participate in as many of these types of civic service projects as the campus principal desires. These types of community services projects or in-kind donations are non-monetary donations that may consist of goods and services. Examples: giving the gift of time through volunteerism, can food or clothing drives, etc. These shall be approved by the campus principal who shall ensure that the charitable organization has been thoroughly vetted and that they are a 501(c)(3) organization. This type of project does not need to be approved by the Business Office, but the campus principal shall maintain records of the non-monetary service projects. All in-kind donations received shall be donated to the organization for which the activity was conducted.

### SECONDARY SCHOOLS

Each semester, student organizations at secondary campuses may participate in one campus-wide non-school charitable fundraising endeavor that involves monetary collections. The Fundraising Preparation guidelines above should be used to select the campus-wide charitable organization. All student organization initiated charitable fundraisers must be adopted as a community service project by that student organization. A service project is a service activity held for the purpose of raising funds for a specific nonprofit organization. All proceeds earned shall be donated to the organization for which the activity was conducted. The service project shall not affect the district financially or cause additional work for staff. The service project will involve the applicable secondary campus only and will not be a district wide event. The student organization sponsor shall thoroughly vet the charitable organization, will verify that they are a 501(c)(3) organization, and ensure that all fundraising procedures are followed.

As mentioned above, we encourage community service projects with an emphasis on civic service rather than monetary collections. Secondary campuses may participate in as many of these types of civic service projects as the campus principal desires. These types of community services projects or in-kind donations are non-monetary donations that may consist of goods and services. Examples: giving the gift of time through volunteerism, can food or clothing drives, etc. These shall be approved by the campus principal who shall ensure that the charitable organization has been thoroughly vetted and that they are a 501(c)(3) organization. This type of project does not need to be approved by the Business Office, but the campus principal shall maintain records of the non-monetary service projects. All in-kind donations received shall be donated to the organization for which the activity was conducted.

### ATHLETICS

Each semester, the Athletic Department may participate in one charitable fundraising event as a high school athletic group. The Athletic Director shall appoint a committee of coaches and/or student athletes who represent the teams participating in the



semester charitable fundraiser to determine the charitable organization/service project that will be supported, if any. The Athletic Director or designee shall chair the committee. A service project is a service activity held for the purpose of raising funds for a specific nonprofit organization. All proceeds earned shall be donated to the organization for which the activity was conducted. The service project shall not affect the district financially or cause additional work for staff. The service project will only involve the athletic department and will not be a district wide event. The Athletic Director or designee shall ensure that the charitable organization has been thoroughly vetted, that they are a 501(c)(3) organization, and that all fundraising procedures are followed.

As mentioned above, we encourage community service projects with an emphasis on civic service rather than monetary collections. The Athletic Department's high school athletic teams may participate in as many of these types of civic service projects as the Athletic Director desires. These types of community services projects or in-kind donations are non-monetary donations that may consist of goods and services. Examples: giving the gift of time through volunteerism, can food or clothing drives, etc. These shall be approved by the Athletic Director who shall ensure that the charitable organization has been thoroughly vetted and that they are a 501(c)(3) organization. This type of project does not need to be approved by the Business Office, but the Athletic Director shall maintain records of the non-monetary service projects. All in-kind donations received shall be donated to the organization for which the activity was conducted.

## BOOSTER CLUB FUNDRAISING

Board Policy GE (Local) establishes the relationship between the school district and district-affiliated school-support organizations and booster organizations, and other parent groups. All fundraising activities performed by these parent organizations shall comply with the following fundraising guidelines.

To qualify as a “Booster Club”, an organization must be a section 501(a) tax exempt, nonprofit organization or must be in the process of applying for tax exempt status. Also, the organization must have its own bank account and governing board outside of the school district.

Booster clubs, Project Graduation, and other support organizations are subject to the same fundraising guidelines as the elementary or secondary campuses that they represent, unless waived by the Superintendent or designee.

Unless preapproved by the Superintendent or designee, fundraising activities by booster clubs are limited to selling ONLY —

- Meals
- Spirit apparel
- Educational materials, books, and magazines

Continuous booster club activities, such as selling spirit apparel, may be considered as “one” fundraiser for the year and is acceptable. In this way, the club is not limited to raising money on specific dates during the year.

Students, parents, or boosters may NOT represent the school or any school organization in soliciting donations from businesses or from the general public in a public venue of any kind (i.e. outside a store, at a street intersection, at a church parking lot, etc.) unless preapproved by the Superintendent or designee.

Students or teachers may NOT sell items randomly door to door in community neighborhoods unless preapproved by the Superintendent or designee.

Booster clubs must conduct their fundraising efforts without the use of students and may NOT fundraise on school property during school hours.

Booster clubs must submit a “Fundraising Request” form to the Principal for approval at least two months in advance of the beginning of the fundraiser. The principal may waive the submission of the form if the fundraiser qualifies as “continuous” as described above.

Booster clubs must submit a “Results of Fundraiser” form to the Principal within one week of the last day of the fundraising period. The principal may waive the submission of the form if the fundraiser qualifies as “continuous” as described above.

Please refer to the Barbers Hill Booster Club Guidelines for further information. [District Website](#)

# Section 6: ATHLETIC GATE RECEIPTS

## ATHLETIC GATE RECEIPTS

Board Policy CHB (Local) states that regulations shall be established governing activity funds generated from athletic gate receipts and other local sources of revenue over which the District has direct control. Funds generated from gate receipts shall be expended for the benefit of the District or its students and shall be related to the District's educational purpose. **The Principal or Athletic Director shall be responsible for the implementation of the following controls as they pertain to athletic gate receipts and other funds generated from student events.**

The [Athletic Gate Receipts](#) form shall be used to record the beginning, ending and total number of tickets sold at the event. It is also used as a time sheet to record the number of games worked and amount to be paid to the Ticket Seller. The Ticket Seller **must** be a school employee.

An Administrative Clerk (for instance the Principal's secretary or campus clerk or Athletic Director's secretary) shall be responsible for entering the beginning ticket number on the reconciliation form before each event. Also, the Administrative Clerk shall place the "beginning cash" in a locking bank bag or lock box.

The Ticket Seller (who may **not** be the Administrative Clerk) shall sell tickets at the event, collect cash, and record the ending ticket number on the reconciliation form (which is the first ticket still on the roll after the event; this is done to simplify the math calculation).

After the event, the Ticket Seller shall count the cash and complete and sign the reconciliation form. The Ticket Seller shall also complete payroll time sheet information on the reconciliation form.

**RARELY** shall expenses be paid from the gate receipts during an event. If expenses are paid from the bag, a description of the "pay-out" shall be included on the reconciliation form and approved by the administrator in charge.

The Ticket Seller shall place the **cash, reconciliation form, and ticket roll(s)** ALL in the bank bag or box and lock it, keeping the key in her possession.

The Ticket Seller shall give the locked bag or box to the administrator-in-charge of the event. The Ticket Seller shall **keep the key** to the locked bag.

Immediately after the event, the administrator-in-charge shall drop the locked bank bag or box in the designated vault or night depository drop box. **The administrator or designee shall not take the money home or otherwise remove it from the school premises.**

On the next business day, the administrator shall give the locked bank bag or box to the Administrative Clerk.

The Administrative Clerk shall receive the key to the bank bag from the Ticket Seller.

The Administrative Clerk shall count the cash, compare it to the reconciliation form for accuracy, and record the next ticket number on a new, blank reconciliation sheet and insert it into the bank bag or box with the start-up money (beginning cash) for the Ticket Seller to use at the next event.

The Administrative Clerk shall complete a deposit form and include the cash in the next student activity deposit to the business office. The reconciliation form shall also be included with the deposit. After counting the cash, **the business office clerk shall submit the reconciliation form to the payroll department for payroll processing.**

Athletic Gate money shall **not** be used for:

- Payment for services performed by employees at the event
- Cashing personal checks or for personal loans or IOUs
- Personal expenses

**Improper handling of athletic gate receipts may result in dismissal or disciplinary action.**

# Section 7: AUCTION WEBSITE

## AUCTION WEBSITE

Funds from the Barbers Hill Auction Website are generated by the winning bids from bidders for school surplus property on the District's auction website. (See separate document for the auction site "Terms and Conditions")

Any department/campus interested in submitting surplus property for the auction must complete the top portion of an [Auction Request Form](#) and have the Principal/Director's signature for approval. Not filling out the form completely could result in a delay of posting.

The Auction Request must contain the following information:

- Specific information about the item that is being listed (i.e. model #, brand name, etc.)
- Condition of the item (working, not working or any other pertinent information)
- The requestor's best estimate of the asset's current value. The Website Manager will perform due diligence to verify the appropriate value. The Website Manager will notify the requestor if the amount is changed.
- Serial number, if applicable.
- If items have a serial number, a separate form must be filled out for each item that is posted on the website.

A picture must be sent to the Website Manager for each item that is posted on the website. Pictures must reflect the assets being listed.

Requestor will need to have all items moved to the Maintenance or Technology Department prior to the items being posted on the auction.

After campus/department approval, forward the request to the Business Office for approval by the Asst. Superintendent of Finance.

All submitted Auction Request forms must be accompanied with a completed "Inventory Disposal/Transfer Records" form. Any school surplus item with an estimated value of over \$5,000 must have Board approval before posting.

After the request form has been approved by the Assistant Superintendent of Finance or designee, the Business Office will forward the form to the Website Manager who will verify the value and authenticity of the item(s) before placing them on the website.

The Website Manager will determine the increment of the bid. The increment is based on the value that is established by the Website Manager as follow:

\$0 - \$25.00 = \$1.00

\$25.00 - \$100.00 = \$5.00

\$100.00 or more = will be determined by Website Manager

The item will be posted for sale a minimum of one (1) week and a maximum of thirty (30) days. If the item does not sell, the Technology or Maintenance Department will dispose of the surplus property in accordance with District policy.

The Website Manager will notify the winning bidder by email within 24 hours of the close of the auction for that item.

The Website Manager will return the "Barbers Hill Auction Request," form complete with the winning bidder's name and amount of the highest bid, to the Business Office within 24 hours of the closing date. The Website Manager will also notify the Technology and Maintenance Departments of the auction results.

The highest bidder then has three (3) days to bring cash or a money order to the Business Office designee. If the highest bidder fails to pay within those three (3) days, the District has the option to repost the item on the auction website.

After each auction block has ended, the Website Manager will prepare a spreadsheet showing the results of each auction item. The spreadsheet will include start date, item, serial number (if applicable), starting bid, end date, ending bid, and winner. The Business Office designee will complete the worksheet with the date the items were paid for, the receipt number, and the date the deposit was made with the financial institution. Both the Website Manager and the Business Office designee will maintain the spreadsheet.

All funds collected from the Auction Website must be receipted and deposited into the bank by a Business Office designee no later than five (5) days from the day it is collected.

At the end of each month, twenty-five percent (25%) of the monthly sales will be given back to the respective department budgets.

# Section 8: CHECK REQUESTS



## Check Requests

The Check Request system provides campus/departments with a mechanism to pay companies and individuals for certain types of approved expenditures that do not require a District Purchase Order. The approved expenditures are listed below. All vendors must be approved vendors that are currently in the Skyward system. If a desired vendor is not currently in the system, the campus/department secretary must get the correct paperwork completed and forward to the Business Office to have vendor added to the system. All forms are located on the District's website under the Business Office tab.

1. Check Requests can only be used for the following: *(a requisition can be used if desired)*
  - A. Travel/Fieldtrips
    - a. Hotel
    - b. Meals
    - c. Registration (excluding Region IV)
  - B. Petty Cash Reimbursements
  - C. Utility Bills
  - D. Newspaper/Magazine Subscriptions (excluding library orders)
  - E. Insurance
  - F. Attorney Fees
  - G. Advertising
  - H. Dues

Any expenditure other than the aforementioned must be entered as a requisition (See Section 1).

2. Check Requests will follow the same approval process as requisitions and must be approved by the Budget Manager, the Business Manager and the Assistant Superintendent of Finance.
3. The Check Request must be entered thoroughly and accurately in Skyward. There will be no changes made to a request once it has been approved. Accounts Payable will process the check with the exact information that was entered on the request.
4. Check Requests will be reviewed daily by the Business Manager and the Assistant Superintendent of Finance. If a request is denied, the originator will receive an email notifying them of the status. The originator can view the status of the request in the Skyward Finance system.
5. Check Requests **cannot** be submitted in place of a supplemental purchase order.
6. Invoices and/or detailed receipts, including brochures, internet publications, hotel confirmations, maps for mileage or any other supporting documents must be scanned and included as an attachment in Skyward **prior to approval**. Original invoices/receipts do not need to be sent to the Business Office. **A Check Request will be denied if support is not attached, NO EXCEPTIONS!** If no support exists, please complete the [Check Request Form](#) and attach to the request. Once receipt or invoice is obtained, please submit to Accounts Payable for posting in Skyward.
7. Check Requests will be cut every Wednesday. Requests must be entered and approved by the Assistant Superintendent of Finance by end of day Tuesday to be paid on the following Wednesday. There will be no "RUSHED" Check Requests.
8. Travel Request policies should be followed whether entering a requisition or check request. As noted in Section 2, Number 4, Letter d, all receipts shall be submitted to Business Office upon returning from the trip.
9. Please be sure to follow all guidelines and procedures to ensure prompt and efficient service. Inaccurate or incomplete check requests will be denied, resulting in unnecessary delays.
10. Detailed instructions on entering a Check Request can be located on the District's webpage under the Finance Office ([Business Office Website](#)); look for "Web Check Request Instructions (for Secretaries)" for entering or "Web Check Request Approval Instructions (for Budget Managers)" for approving.

# Section 9: CASH MANAGEMENT

## CASH MANAGEMENT

The District receives cash and checks from many sources. These procedures are designed to ensure that all cash received by the District and its employees are deposited and tracked for the benefit of the District and its students. Adherence to these procedures is essential to mitigate fraud.

### **General Cash Management Guidelines**

No post-dated checks should be accepted. Funds should not be kept in classrooms, personal wallets or purses, or at home for extended periods of time. **No cash purchases should be made – every dollar collected should be receipted and deposited according to the collection procedures.**

Personal employee checks shall not be cashed from monies collected at the campus or district level to ensure an adequate audit trail of all funds collected by the district.

Cash of different types shall not be commingled. A separate cash box shall be maintained for Petty Cash and funds pending deposit (collections). All petty cash accounts shall be in balance every day. For example, the cash and/or receipts in a \$100 petty cash account must equal \$100 at all times and shall be subject to audit on a random basis.

**Staff is strictly prohibited from “borrowing” from district funds. Staff who borrow (defined as temporarily removing of funds with the intent to return the funds) or steal district funds shall be subject to disciplinary action, up to and including termination of employment.**

### **General Receipt Issuance Guidelines**

The flow of money and the receipts must support all money collected and deposited. All receipts issued shall follow the following guidelines:

- An official receipt book with pre-numbered, bound receipts in duplicate shall be used when issuing receipts to the students for payments \$10.00 and higher.
- Both parties to the money exchange should be present when the money is counted & receipted (i.e. sponsor and secretary, teacher and student, etc.).
- The original receipt must be given to the person paying (student/parent).
- A copy of the receipt must remain in the receipt book
- A copy of the appropriate form must be given to the person paying (sponsor/teacher).
- Receipts should not be altered.
- Voided receipts (white original copy) must be re-attached to the receipt book.
- Receipts are not to be pre-dated or pre-signed.
- Receipt numbers must be used consecutively.

**A copy of receipts or the appropriate form shall move with the funds.**

Sample Receipt

<b>CASH RECEIPT</b>		Date	Date money was received.	002051
Received From				
Address				
For		Yearbook, lost or damaged items, fines, or other payments		Dollars \$
ACCOUNT		HOW PAID		
AMT OF ACCOUNT		CASH		
AMT PAID		CHECK		
BALANCE DUE		MONEY ORDER <input type="checkbox"/>		
		CREDIT CARD <input type="checkbox"/>		
		By Signature of person receiving money		

At a minimum, the following items must be completed on a pre-numbered receipt:

- **Date** – the date the money was received.
- **Received from/Payee** - the full name of the person paying the money
  - (Address is optional – this field can be used to indicate of the payee is a student or parent.)
- **Dollars** – the actual amount collected in dollars and cents.
- **For** – the reason for the payment. (**Note: this is essential to ensure that the correct campus, department, student organization, etc. receives credit for the funds.**)
- **How Paid** – the type of funds received is essential to track cash and checks on the bank statement.
- **By** – the **original** signature of the person receiving the money.

## COLLECTION PROCEDURES

### Collected by Teachers or Sponsors

**NOTE: Prior to collecting cash from fundraising activities, an approved Fundraising Project Request form (approved by the Assistant Superintendent of Finance) should be on file with the Principal's Secretary.**

All cash and checks collected by teachers/sponsors for student field trips, fees, fines, fundraising, etc. shall be reported on a [Daily Collections Report](#). The Daily Collections Report shall include the date received, amount received, student name, and purpose of funds collected. If applicable, the Organization/Club Name and Activity Account Number shall be included.

By the end of each day, teachers/sponsors shall submit the funds collected with a copy of the Daily Collections Report to the Principal's Secretary.

Both the teacher/sponsor and Principal's Secretary shall count the funds to ensure that the amount is verified. Once verified, the Principal's Secretary shall initial each receipt line that was verified and return to the teacher to use for the next day's receipts.

The Principal's Secretary shall take the collected cash and prepare a [Deposit Summary](#) for each source of funds (i.e. fieldtrip, yearbook, t-shirts, etc.). The Deposit Summary and cash should be taken to the district Accounting Specialist for deposit within one week from receiving the funds. Funds shall be locked up at all times.

The Principal's Secretary shall issue a receipt for items costing \$10.00 or more excluding money collected for fundraising, pictures, and fieldtrips. If a receipt is issued, please follow the guidance at the beginning of this section titled General Receipt Issuance Guidelines.

### Collected by Campus Concessions

Cash and checks collected for concession sales shall be reported on a [Deposit Summary with Start-Up Money](#) Form.

The concession workers shall complete the Deposit Summary with Start Up Money Form at the end of the event. The completed form and cash shall be placed in a sealed bag and submitted to the Principal's Secretary on the same day of the event, as appropriate.

If the concession sales are after hours, the concession workers may submit the sealed bag of cash and Deposit Summary with Start Up Money Form to the Principal's Secretary on the next business day. The sealed bag must be secured overnight in a locked safe.

Both the concession worker and Principal's Secretary shall open the sealed bag and count the funds to ensure that the amount is verified at the time the funds are submitted to the Principal's Secretary.

The Principal's Secretary shall take the Deposit Summary with Start Up Money Form and cash to the district Accounting Specialist for deposit within one week from receiving the funds. Funds shall be locked up at all times.

### Collected by Athletic or Other Ticketed Events

Cash and checks collected for Athletic or Other Ticketed Events (plays, concerts, dances, etc.) shall be reported on an [Athletic Gate Receipts](#) or [Ticketed Events](#) Form, as appropriate for the event. The forms shall include the starting and ending ticket numbers for adults and students. (Any event charging admission should use numbered tickets for reconciliation purposes.)

The tickets taker shall complete the Athletic Gate Receipts Form or Ticketed Events Form, as appropriate for the event and submit to the Principal's Secretary with the cash collected on the same day of the event, as appropriate.

If the event is after hours, the ticket taker may submit the cash and appropriate form to the Principal's Secretary on the next business day. The cash must be secured overnight in a locked safe or cabinet.

Both the ticket taker and Principal's Secretary shall count the funds to ensure that the amount is verified at the time the funds are submitted to the Principal's Secretary.

The Principal's Secretary shall take the Athletic Gate Receipts Form or Ticketed Events Form, as appropriate for the event and cash to the district Accounting Specialist for deposit within one week from receiving the funds. Funds shall be locked up at all times.

### **Collected by Principal's Secretary**

All cash and checks collected by teachers/sponsors for student field trips, fees, fines, fundraising, etc. shall be reported on a Daily Collections Report. The Daily Collections Report shall include the date received, amount received, student name, and purpose of funds collected. If applicable, the Organization/Club Name and Activity Account Number shall be included.

Collections by the Principal's Secretary may include:

- Lost textbooks
- Damage to campus supplies, equipment, facilities, etc.
- Fines
- Registration fees
- Laptop fees
- Spirit Cards/Shirts
- Fundraisers – **Prior to collecting cash from fundraising activities, an approved Fundraising Project Request form (approved by the Assistant Superintendent of Finance) should be on file.**

The Principal's Secretary shall issue a receipt for all collections that are \$10.00 or more per payment excluding money collected for fundraising, pictures, fieldtrips, entry fees, and tickets.

A bound, pre-numbered receipt book with duplicate copies must be used. The original copy shall be given to the payee, and the second copy shall remain in the receipt book for audit purposes. Please follow the guidance at the beginning of this section titled General Receipt Issuance Guidelines.

Within one week of receiving the funds, the Principal's Secretary shall submit the funds collected with the Deposit Summary to the district Accounting Specialist. The Deposit Summary shall indicate the purpose of the funds, i.e. club fees, fundraising, etc.

The Secretary and the Accounting Specialist shall count the funds to ensure accuracy. Both parties will sign the Deposit Summary and a copy will be made for the Secretary to keep for their records.

### **Collected by Food Service Department - Cashiers**

Cash and checks collected by a Food Service Department cashier may include the following:

- Student payments for daily meals, a la carte purchases, and prepaid meal account funds
- Adult payments from District staff for daily meals, a la carte sales, and prepaid meal account funds
- Adult payments from non-employees for daily meals or a la carte purchases
- Concession stands (excluding campuses)

If a parent utilizes the Cafeteria's web store to make a credit or debit card payment, the funds are immediately posted to the student's account in Skyward. If a parent or student wants to make a credit or debit card payment in person or over the phone, the Director of Food Service's Secretary shall take the payment and run through the Cafeteria's web store. The payment must immediately be manually posted to the child's account in Skyward by the Secretary.

The Food Service cashier posts all cash collections to the automated system, Skyward.

By the end of each day, the Food Service Department cashier shall reconcile the cash collected with the Daily Activity Sales Report from Skyward. Once balanced the cashier will prepare a deposit in Skyward to close the drawer for the day.

All start up money shall be stored in a locked safe or cabinet each night.

All deposits for the cafeteria shall be combined to make one bank deposit per school cafeteria.

Deposits shall be taken to the Secretary of the Director of Food Service. The Secretary will recount the money and ensure the deposit balances while the Cafeteria Manager waits. Once completed, the Secretary will issue a receipt to the Cafeteria Manager

who will file for their records.

The Director's Secretary will deposit the funds at a minimum of twice a week at the District's bank.

The bank receipts shall be sent via interoffice to the Accounting Specialist for recording in Skyward.

Deposits which cannot be made on the same day shall be stored in a food service department locked safe or cabinet until the following business day.

### **Collected by Tax Office**

Taxes are collected on a daily basis in the form of cash, check, or credit/debit card. If a debit/credit card is used to make payment, the fee the District is charged by the merchant will be passed on to the taxpayer.

All cash shall be locked in the Business Office vault until ready for deposit.

Payments received by mail will be applied the same day to the appropriate taxpayer account in the Centurion system. System generated receipts will be printed and mailed to those taxpayers.

Payments received in person will be applied the same day to the appropriate taxpayer account in the Centurion system. A system generated receipt will be issued to the taxpayer before they leave.

The Deputy Tax Collector will reconcile the amount collected per Centurion to the actual funds received.

The Deputy Tax Collector will prepare the deposit and give to the Accounting Specialist to deposit at the bank.

Accounting Specialist will post the deposit to the General Ledger in Skyward using the receipt from the bank.

### **Collected by Accounting Specialist**

Cash and checks collected by a Accounting Specialist may include the following:

- Student payments (during the summer months) for lost textbooks, damages to property, and other related collections
- Staff reimbursements of travel funds
- Donations from external sources
- Other miscellaneous checks from vendors
- Revenue from miscellaneous sources such as Pre-K tuition, auction website, etc.
- Deposits from a campus, tax office, or food service department

The Accounting Specialist shall issue a receipt for all collections that exceed \$10.00 per payment.

A bound, pre-numbered receipt book with duplicate copies must be used. The original copy shall be given to the payee, and the second copy shall remain in the receipt book for audit purposes.

By the end of each day, the Accounting Specialist shall prepare all funds for deposit to the District's depository bank. Checks will be deposited on a daily basis via Remote Deposit Capture (RDC). Cash shall be deposited daily.

Deposits which cannot be made on the same day shall be stored in the Business Office safe until such time as the deposit can be made.

The Accounting Specialist shall use the validated bank deposit slip as supporting documentation to post to the General Ledger in Skyward.

All supporting documents for the bank deposits should be maintained by the Accounting Specialist for audit purposes.

### **Posting of Deposits, Withdrawals, and Transfers – Accounting Specialist**

Insufficient Funds (NSF) – please refer to Business Office website for instructions: [NSF - Collection Procedures](#).

Accounting Specialist shall book all transfers between cash accounts on the bank website as well as in Skyward. The majority of these transfers are to support the Accounts Payable process. Check summary listings are provided by the Accounts Payable department for these transfers.

- The Business Manager and Assistant Superintendent review all revenue accounts each month end.

Deposits from investments shall be booked as journal entries under the guidance of the Business Manager.

Transfers to investment accounts shall be initiated by the Business Manager or Assistant Superintendent of Finance. The Accounting Specialist will post all transfers in Skyward.

All electronic deposits shall be posted by the Accounting Specialist. Business Manager or Assistant Superintendent of Finance should be sought for guidance or clarification on which account to use for coding of cash receipt.

All travel reimbursements shall be brought to the Administration Building and given to the District Receptionist. The Receptionist will then give to the Accounting Specialist for depositing with the bank as well as coding to the correct expenditure account.

### **Monitoring Available Cash – Accounting Specialist**

A Daily Available Cash Balance report shall be prepared by the Accounting Specialist and submitted to the Business Manager for review. The report shall also include the amount pledged by the bank for collateralization of the District's funds. Report should be prepared and submitted by 12 pm.

The Business Manager shall verify that the district's deposited funds are fully collateralized at all times in accordance with state law.



# Section 10: FIXED ASSETS

## FIXED ASSETS

**Purpose:** An up to date inventory of all equipment, vehicles, and buildings with a unit value greater than \$5,000 and an estimated useful life in excess of 5 years shall be maintained for audit purposes. In addition, an up to date inventory of all equipment with a unit value between \$1,000 and \$5,000 shall be maintained for insurance purposes by the Business Department. An inventory of other small equipment shall be tracked by the respective campus or department.

### **Fixed Asset Functions**

The Accounting Specialist shall maintain an up to date database of all fixed assets and inventory items excluding Technology.

The database shall include the following information, at a minimum:

- A description of the equipment
- Serial number or other ID, if applicable
- Funding source
- Original acquisition date
- Original cost
- Percent of federal participation, if applicable
- Location
- Use and condition
- Disposition date

Upon receipt of a Fixed Asset/Inventory Transfer form, the Accounting Specialist shall post the change to the database and file the form for audit purposes.

- All items transferred to the Warehouse as surplus or salvage shall be tracked on the database.
- A list of all salvage items shall be submitted to the Assistant Superintendent of Finance for approval prior to a public sale or auction. The signed forms shall be maintained for audit purposes.
- All items sold via a public sale, auction, or disposal shall be removed from the fixed assets database.

### **Fixed Asset Transfer Form**

A Fixed Asset/Inventory Transfer Form is required whenever equipment is moved from one location to another. This shall include one campus to another or from a location to the warehouse. The Fixed Asset/Inventory transfer form is a triplicate form:

- White Copy: Send to Business Office
- Pink Copy: Send to Business Office – will be routed further from there
- Yellow Copy: Campus/Department Copy

Campus or department completes the form including the approval from the Campus Principal/Department Head. At this time, a Work Order or Help Desk ticket should be entered by the Campus Secretary to begin the relocation process.

White & pink copies should be submitted to the Accounting Specialist for review.

- If the equipment is technology, the pink copy should be routed to the Technology Director for approval. After the Technology Director's approval, the form should be routed to the Technology Technician for movement of the equipment as approved.
- For all other equipment, the pink copy should be routed to the Asst. Superintendent of Maintenance & Operations for approval. Once approved, movement of the asset can be coordinated with the Maintenance Department.

The Accounting Specialist will input all transfers on the Fixed Asset Management system.

### **Fixed Asset Disposal**

All efforts will be made to obtain the best return value to Barbers Hill ISD (BHISD) and consideration will be made to ensure responsible protection of our environment.

BHISD identification will be removed from items as part of the sales process. Any items that might contain data or any association with BHISD will be cleared or disposed of in a manner that ensures the data is destroyed (example: hard drives will not be sold, but would be destroyed to prevent any possible data recovery).

Disposal methods are listed below in order of preference. [Exception for federally funded assets below.]

- **Online Auction.** See Section 7 – Auction Website. Follow those procedures.
- **Recycling.** Items that are not sold on the online auction will be disposed through recycling if possible.
- **Trash.** Items that are not disposed of through recycling will be considered trash and disposed of as trash.

A Fixed Asset/Inventory Transfer Form is required whenever equipment is being disposed. The Fixed Asset/Inventory transfer form is a triplicate form:

- White Copy: Send to Business Office
- Pink Copy: Send to Business Office – will be routed further from there
- Yellow Copy: Campus/Department Copy

Campus or department completes the form including the approval from the Campus Principal/Department Head. At this time, a Work Order or Help Desk ticket should be entered by the Campus Secretary to begin the disposal process.

White & pink copies should be submitted to the Accounting Specialist for review.

- If the equipment is technology, the pink copy should be routed to the Technology Director for approval. After the Technology Director's approval, the form should be routed to the Technology Technician for disposal of the equipment as approved.
- For all other equipment, the pink copy should be routed to the Asst. Superintendent of Maintenance & Operations for approval. Once approved, disposal of the asset can be coordinated with the Maintenance Department.

All items disposed of shall be removed from Skyward by the Accounting Specialist.

All surplus revenue shall be deposited to a miscellaneous revenue account in the General Fund (199), with the exception of surplus revenue from the sale of Food Service equipment which shall be deposited to the Food Service Fund (240).

## Monthly Reconciliation

Fixed (Capital) Assets shall be defined as: All equipment with a unit cost over \$5,000 and an estimated useful life in excess of 5 years. These items should be posted in the Fixed Assets module within Skyward and posted to the general ledger. These items are defined as fixed assets for audit purposes.

Inventory shall be defined as: All equipment with a unit cost from \$1,000.00 to \$4,999.99. These items should be posted in the Fixed Assets module within Skyward and posted to the general ledger for inventory purposes.

Other small equipment shall be defined as: All equipment with a unit cost less than \$1,000.00. Examples of these items include: laptops, I-Pads, digital cameras, drills, power tools, small musical instruments, etc. and shall be tracked by the respective departments (i.e. Maintenance, Band, or Technology).

A capital outlay report shall be generated at the end of each month by the Accounting Specialist and reconciled.

The Secretary to Asst. Superintendent of Finance shall prepare all Application for Vehicle, Title, and License Plate forms for all new vehicles purchased by the district. The forms shall be submitted to the Asst. Superintendent of Finance for approval and signature of all forms.

The Secretary shall submit the forms to the Chambers County Tax Office for processing.

The Secretary shall notify the auto insurance carrier of the new vehicles.

All construction expenditures should be recorded on a spreadsheet by project.

All inventory or fixed asset items purchased with federal grants should be tagged and the appropriate federal grant indicated on the item.

The disposal of assets via surplus sales, stolen, or lost assets shall be recorded in Skyward.

### **Annual Reconciliation**

A list of all fixed assets (over \$5,000 unit cost and an estimated useful life in excess of 5 years) should be prepared by July 31st for audit purposes.

A list of all construction assets should be prepared by July 31st for audit purposes. The list should include all "construction in-progress" through June 30th, including accounts payables and retainage.

The lists should be reconciled with the general ledger and submitted to the Business Manager.

The fixed asset depreciation schedules and spreadsheet should be prepared by July 31st and submitted to the Business Manager for audit purposes.

### **Use of Federally Funded Assets:**

All federally funded equipment shall be used, as long as needed, for the original grant project, whether or not the project continues to be federally funded.

Assets shall be made available for other projects as long as the use does not interfere with the project under which it was originally acquired (it may be appropriate to split or share the costs of the equipment with other fund sources so that each program bears its fair share).

When no longer needed for the original grant project, equipment may be used in other federally supported activities (if purchased with state funds, would be used in another state program).

### **Disposal of Federally Funded Assets:**

When equipment is no longer needed for the original project or another federally funded project, BHISD shall dispose of the equipment in the following manner:

- Equipment with current fair market value of *less than \$5,000* may be retained, sold, or otherwise disposed of with no further obligations to TEA.
- Equipment with current fair market value of *\$5,000 or more* may be retained or sold but TEA shall have right to the proceeds.

TEA reserves the right to transfer title to another grantee for noncompliance or as needed after the project ends (regardless of how equipment is classified).

At the conclusion of a local grant project, TEA may request a list of equipment purchased with grant funds. The grantee must request disposition instructions from TEA. For most TEA discretionary grants, if a local project is ending and the grantee no longer needs equipment purchased with grant funds, and if the equipment is relatively up to date and in good working order, TEA, at its discretion, may instruct the grantee to transfer the equipment to another viable grantee.

Disposal of all federally funded assets shall be tracked in the fixed assets database, including a disposition date and method for audit purposes.

# Section 11: CONTRACT MANAGEMENT

## CONTRACT MANAGEMENT

**Purpose:** To ensure a systematic process to review and approve contracts with vendors to include purchases, services, maintenance agreements, construction, and other contracts as appropriate.

### **Contract Approval Authority:**

The Assistant Superintendent of Finance has been designated by the Superintendent to approve and execute all contracts for the purchase of goods or services for all single purchases that are less than \$50,000.

The Board of Trustees retains the authority to approve all contracts for the purchase of goods or services for any single purchase that exceeds \$50,000.

### **Contract Review:**

The requestor shall forward the Contract document(s) to the Assistant Superintendent of Finance for review.

The Assistant Superintendent of Finance shall review the Contract and complete a Contract Review Checklist.

If the Contract is recommended as is, and is below the \$50,000 threshold, the Contract will be signed and approved.

If the Contract is not acceptable as is, the Assistant Superintendent of Finance shall contact the contracting party to attempt to resolve the deficiency(ies).

Legal advice from the district's legal firm shall be obtained as necessary to remedy the contract deficiencies.

If the Contract is not acceptable and cannot be corrected to an acceptable form, the Assistant Superintendent of Finance shall reject the contract and notify the requesting campus/department who will notify the proposed vendor. The rejected contract shall be forwarded to the Secretary of the Assistant Superintendent of Finance for filing.

### **Contract Approval**

#### **Contracts less than \$50,000**

If the Contract is \$50,000 or less, the Assistant Superintendent of Finance shall return a copy of the signed Contract to the requestor for processing and for notification to the vendor.

#### **Contracts greater than \$50,000**

If the Contract also requires School Board approval (over \$50,000), the Assistant Superintendent of Finance shall prepare the Action Item for approval at the next regularly scheduled board meeting.

- o For all contracts that require Board approval, the Secretary of the Assistant Superintendent of Finance will follow the **Procedures to Comply with Form 1295 Disclosure Requirements**.

The Board Secretary shall return the original, signed Contract to Secretary of the Assistant Superintendent of Finance where an original will be kept on file in the Finance Department.

The Secretary of the Assistant Superintendent of Finance shall return a copy of the signed Contract to the requestor for processing and for notification to the vendor.

If a new vendor, the requestor will follow the *Vendor Management Procedures*.

### **Purchase Commitment for Contract (Purchase Order):**

All purchase requisitions will be entered in accordance with the District's purchasing procedures as noted in the District Finance

### **Contract Filing Procedures:**

Upon receipt of a fully executed Contract, the Secretary of the Assistant Superintendent of Finance shall file the Contract as noted below:

- Scan the Contract to a PDF and file in a Shared Business folder, and
- File the original Contract in the Business Office

Contracts shall be filed by the length of the Contract as noted below:

- All contracts shall be filed by vendor name

An Excel spreadsheet of all multi-year contracts shall be maintained. The spreadsheet shall contain the following information (at a minimum):

- Vendor name
- Starting and ending date of contract
- Non-renewal or cancellation terms (for recurring contracts)
- Approximate amount
- Goods or services purchased
- Form 1295 compliance information (Date Request Sent to Vendor, ISD Assigned Transaction Number, Date Received From Vendor and Validated, Date Filed With State, State Assigned Certificate Number, Date Board Approved)

### **Contract Management:**

The originator shall be directly responsible to ensure that the contracting party performs the services covered by the Contract. The Contract originator shall electronically receive the Purchase Order in Skyward to certify that the work was completed to satisfactory standards.

Upon completion of the service(s), the vendor shall forward an invoice to the Business Office to request payment.

### **Form 1295 Certificate of Interested Parties Electronic Filing:**

For contracts entered into on or after January 1, 2016, (H.B. 1295) provides that a Texas governmental entity or state agency may not enter into a contract that either requires an action or vote by the governing body of the entity or agency or has a value of at least \$1 million, unless the business entity submits a disclosure of interested parties to the governmental entity or state agency.

The TEC has defined "contract" as including "an amended, extended, or renewed contract. Therefore, any contract with a business entity in 2015 or before, that is to be amended, extended, or renewed that contract on or after January 1, 2016, the new disclosure requirements will be triggered.

### **Procedures to Comply with Form 1295 Disclosure Requirements of TEC rules and Texas Government Code § 2252.908:**

The Secretary of the Assistant Superintendent of Finance shall:

- Issue an identification number that will be used to track or identify the contract, along with a brief description of the goods or services being provided pursuant to the contract. Under the TEC rules, the vendor will need this information in order to fill out the form at the TEC website. The ID number will follow naming convention as noted below:
  - The last two digits of the year followed by sequential numbering beginning with 100.
  - Ex: 16-100, 16-101, etc. for calendar year 2016
- Send the following email to the vendor giving the vendor the school district's ID number for the contract and the brief

description of the goods of services, and directing the vendor to the TEC website to fill out the new Form 1295.

*"Dear vendor,*

*New disclosure requirements were written into the law during the 2015 legislative session. The new law is codified at Texas Government Code § 2252.908, which was enacted by H.B. 1295, and requires, as of January 1, 2016, that vendors file a disclosure form electronically with the Texas Ethics Commission identifying the vendor's interested parties to certain contracts with Texas school districts. When applicable, the process must be completed prior to contract execution or purchase order issuance.*

*You are receiving this email because Barbers Hill ISD wishes to purchase [description of the type of goods or services] from your company. The process and form you will complete online with the State of Texas requires you to provide an identification number that Barbers Hill ISD has issued to track or identify the contract identification number. The District's identification number for this contract is [eg. "16-xxx"]. Barbers Hill ISD is identified as an "OTHER GOVERNMENTAL ENTITY", not a state agency.*

*Instructional videos and an FAQ about how to register and file a report is available [here](#).*

*Please register and complete the form for our transaction on the Texas Ethics Commission's website. Once completed, you will need to print it out, sign it before a notary, and submit it to us along with the signed contract.*

*We recommend that you consult with your legal counsel regarding compliance with this new law."*

- Make reasonable attempts to ensure the vendor goes online at the TEC website, fills out the form electronically, print it, sign it in front of a notary, and returns the signed form to the school district.
- Upon receipt of the signed certificate and **not later than the 30th day** after the date the contract binds all parties, the Secretary of the Assistant Superintendent of Finance will go online to the TEC website and electronically notify the Commission of the receipt of the completed disclosure of interested parties form.
- The Secretary of the Assistant Superintendent of Finance shall maintain the Contract and Form 1295 compliance log as described in the Contract Filing Procedures.

These signed forms must be maintained in accordance with BHISD's document retention policies and made available to someone who makes a Texas Public Information Act request.

See [https://www.ethics.state.tx.us/whatsnew/FAQ\\_Form1295.html](https://www.ethics.state.tx.us/whatsnew/FAQ_Form1295.html) for more information.



# Section 12: VENDOR MANAGEMENT

## VENDOR MANAGEMENT

**Goal: To ensure a systematic process of adding and renewing vendors on the finance database. The process is designed to meet local, state, and federal guidelines related to vendor relations and procurement by a school district.**

Vendors will **ONLY** be added to the finance database upon receipt of an [ALTERNATIVE VENDOR REQUEST FORM](#) or a completed [VENDOR APPLICATION PACKET](#).

### **Alternative Vendor Requests**

Certain vendors will not be required to fill out the paperwork contained within the Vendor Application Packet. Vendors who do not meet the criteria to be added with regular Vendor Applications will be added via an [Alternative Vendor Request Form](#). Examples of these vendors include hotels, employees, students, parents who are receiving a refund, other school districts, or certain professional organizations.

The Alternative Vendor Request form should be filled out by the requestor and forwarded to the District Receptionist. If you have any questions concerning this form or are unsure about which category to place a vendor, please contact the Business Office for assistance.

### **Vendor Application Packet**

The requestor shall forward the [Vendor Application Packet](#) to prospective new or inactive vendors.

The Vendor Application Packet shall include the following:

- Notice to Vendors
- Vendor Application
- Form W-9
- Conflict of Interest Questionnaire
- Felony Conviction Form
- Debarment Certification Form
- Authorization for Criminal History Check and Consent & Disclosure Form (if applicable)

The completed Vendor Application Packet should be forwarded by the requestor to the District Receptionist.

All contracts greater than \$50,000 will follow HB 1295 Guidelines and will require Board of Trustee approval.

### **Vendor Review and Approval**

The District Receptionist shall review the packet to ensure that all required items have been submitted and are properly executed. Possible non-compliance with the requirements shall be forwarded to the Business Manager or Assistant Superintendent of Finance for a final determination regarding the vendor eligibility to contract with the District.

- Vendor Application Form
  - This form should be completely filled out, including the signature of an authorized individual.
- Form W-9
  - This form should be completely filled out, including the EIN or SSN of the vendor, and a signature of an authorized individual. The appropriate federal tax classification must also be noted, i.e. I for Individual, C for Corporation, etc.
- Conflict of Interest Questionnaire

- A name is required in Section 1 and a signature is required in Section 7, regardless of any other entry on the form.
- All CIQ's that disclose a conflict will be published on our district website at bhisd.net.
  
- Felony Conviction Notification Form
  - All vendors shall complete a Felony Conviction Notification Form to disclose if the owner or operator has been convicted of a felony.
  
- Debarment Certification Form
  - The District Receptionist shall verify that the vendor has completed a Certification Regarding Debarment, Suspension, Ineligibility, and Voluntary Exclusions for Covered Contracts and Grants Form.
  - The District Receptionist shall verify that the vendor is not debarred from doing business at the state of federal level.
  - The following websites maintain lists of those vendors that are ineligible.
    - [http://www.comptroller.texas.gov/procurement/prog/vendor\\_performance/debarred/](http://www.comptroller.texas.gov/procurement/prog/vendor_performance/debarred/)
    - <http://www.sam.gov/portal/SAM/#1>
  
- Criminal History Verification
  - Contractors who will have direct contact with students will complete a Criminal History for Independent Contractors Form and a Consent & Disclosure Form so the District may obtain an investigative consumer report.
  - The District Receptionist will give the appropriate forms to the Secretary to Assistant Superintendent of Personnel who will access the consumer report and verify if the vendor is in the TEA fingerprinted database.
  - If vendor has not been previously fingerprinted, the vendor may obtain a Generic FAST Pass from the Secretary to Assistant Superintendent of Personnel to be fingerprinted at the vendor's expense.
  - Once clearance has been given, the Secretary will notify the District Receptionist, who will then notify the requestor.
  
- Employer TIN-Matching:
  - The District Receptionist shall verify the TIN of vendors through the IRS TIN-Matching online service. If any discrepancies are noted between the TIN-Matching online service and the vendor completed Form W-9, the District Receptionist will contact the vendor to make corrections.
  
- Licensed or Registered Contractors:
  - If the contractor is required to be licensed or registered with the State of Texas (such as plumbers, electricians, HVAC technicians), the District Receptionist shall verify that the contractor's license is "active" and that there are no sanctions against the contractor.
  - The Texas Department of Licensing and Regulation (TDLR) website shall be used to search for licensed contractors and to search for contractor violations.
  - TDLR Licensed Contractor : <http://www.tdlr.texas.gov/LicenseSearch/>
  - Physical Therapists/Occupational Therapists: <http://www.ptot.texas.gov/page/look-up-a-license>
  - Texas Department of Health Services: [https://www.dshs.state.tx.us/speech/sp\\_search.shtm](https://www.dshs.state.tx.us/speech/sp_search.shtm)

After the District Receptionist has verified that a Vendor Application Packet is complete, a new vendor request is entered in Skyward. The Business Manager or Assistant Superintendent of Finance review the vendor request and the vendor is added to the database upon approval. **NOTE: Vendors will only be added to the database if there is a purchasing requisition needed by the requestor.**

## Vendor Database Management

The District Receptionist shall create a complete vendor record, including but not limited to the following:

- Vendor legal name and DBA, if applicable
- Mailing address

- Remit address, if applicable
- Tax Identification Number or Social Security Number
- Company phone numbers: voice and fax
- Company email
- 1099 Information

Prior to adding the new vendor request, the District Receptionist shall verify if the vendor does not exist in the vendor database in an active or inactive status.

- If the vendor exists in the database, and the vendor identification information is identical, the inactive vendor may be reactivated.

The District Receptionist shall make changes to the vendor database upon receipt **from a vendor** of a change in address, phone number, email, etc.

Throughout the fiscal year, on at least a quarterly basis, the District Receptionist shall verify that the vendors paid are not debarred.

Each calendar year, the District Receptionist shall review vendor activity to determine which vendors, if any, to inactivate with the Business Managers approval. Vendors will be inactivated after a period of 12 months of inactivity.

### **Vendor Information Updates**

Annually, all vendors will be required to update the information in their Vendor Application Packet. New packets will be mailed to all active vendors on or before August 31<sup>st</sup> of each year. These packets will have a due date of October 15<sup>th</sup>. A reminder letter will be sent out on October 31<sup>st</sup> for vendors who have not returned their updated paperwork. Any vendor who has not returned the packet by December 31<sup>st</sup> will be inactivated.

### **Vendor Number Tracking**

The District shall use the auto numbering feature in the Skyward Finance System. At no time, shall a vendor number be reused as this will create data quality issues for historic financial files.

# Section 13: ACCOUNTS PAYABLE

## ACCOUNTS PAYABLE

Accounts payable checks should be processed twice a week for release on Tuesday and Thursday afternoons or earlier dependent upon work schedules or holidays.

### **General Instructions:**

All invoices shall be entered separately into the finance system by invoice number, amount, and date.

- The invoice number is a “key” record. If entered correctly, the system will not allow a duplicate payment to a vendor.

Payments shall not be made from statements unless the vendor has been contacted, and it is confirmed they do not issue invoices.

Upon receipt of an invoice from a vendor, it should be matched with an open purchase order and receiving.

- Invoice, open purchase order, and receiving constitute a 3-way match.

If no discrepancies exist, the check payment should be entered into the finance system.

If a discount is offered by the vendor for early payment, the payment should be processed within the allotted time if the goods have been received and their receipt has been verified by the originating campus or department.

- All payments must be paid in compliance with Government Code 2251.

All invoices should be checked to ensure that appropriate discounts, terms of shipment, tax exemption, and extensions are correct.

All invoices that do not exceed the purchase order amount by more than \$100 may be entered into the finance system for payment without authorization. If funds do not exist in the encumbered account(s), the Accounts Payable clerk will proceed with payment, and the campus/department will be required to make a budget transfer at the end of the month. (At each month end, the Accounting Specialist shall run a report identifying accounts over budget. Secretaries will be contacted to submit a Budget Transfer to clear up any overages.)

All invoices that exceed the purchase order amount by more than \$100 shall be scanned and sent to the secretary of the original purchase order. The secretary shall enter a supplemental purchase order to cover the overage.

The Business Manager and/or the Assistant Superintendent of Finance shall approve all invoices ready for payment.

Extenuating circumstances or items of noncompliance, if any, should be forwarded to the Business Manager and/or Assistant Superintendent of Finance for review and approval.

All payments should be made from original documents to ensure that duplicate payments do not occur. If payment is made from a copy, the copy shall be stamped **ORIGINAL**.

All check payments should be posted to the general ledger at the time that the checks are printed.

All purchase order encumbrances should be reduced and/or liquidated when check payments are made for the purchase order.

Checks shall never be issued to “Cash” or “Bearer”.

At fiscal year-end, the Accounts Payable clerks shall prepare a report of all Accounts Payables as of June 30<sup>th</sup> and submit to the Business Manager by July 15<sup>th</sup> for audit purposes.

All “paid” check copies should be filed in alphabetical order by vendor last name or company name.

The Business Manager and/or Assistant Superintendent of Finance shall pre-approve all “emergency” checks.

The District Receptionist shall reconcile statements from vendors with check payments on file. Discrepancies should be researched and resolved in a timely manner. Reconciled statements should be filed for a period of 60 days then discarded after the administrative value (AV) period.

- Unpaid invoices that show up on a statement for two consecutive months should be brought to the Business Manager's attention.

All returned purchases should be coordinated by the purchase originator:

- The purchase originator shall notify the vendor for authorization to return goods.
- If it is just a return with no exchange, the invoice shall be held until a credit memo is received. The invoice and credit memo will be processed at that time.
- Payment to the vendor for returned purchases should be withheld from the vendor until replacement items are received that are acceptable to the district.
- All check copies for items returned to the vendor should be kept in a pending file until receipt of the replacement items.
- If replacement items are not received within a 60 day period, a demand for a refund should be forwarded to the vendor. The Business Manager shall be notified if the vendor has not complied with the 60 day timeline.

Partial shipments should be monitored by secretaries to ensure that the full shipment is received within a reasonable time period.

Partial payments should not be made unless prior arrangements have been made with the vendor and the Business Office.

Disputed invoices shall be disputed in writing no later than 15 days after receipt of the invoice.

### **Compliance with State Law:**

All payments shall be made in accordance with state law, Government Code 2251.021, within 30 days of the later of the following:

- The date the District received the goods,
- The date the vendor performed the service or the contract was completed, or
- The date the District receives the invoice for the goods or services.

Interest shall not be paid on any invoices unless the payment is "overdue" as defined by state law. The interest paid shall not exceed the sum of 1% and the Wall Street Prime Rate (Government Code 2251.025).

The interest due, if any, shall be paid from local (non-state or non-federal) funds when the invoice is paid. The District shall not request that the vendor waive the interest if the interest is in compliance with state law.

If an invoice is disputed, it must be disputed in writing no later than 15 day after the receipt of the invoice (state law maximum is 21 days).

### **Verification of Check Transactions:**

The Accounts Payable Clerk shall verify that all check transactions meet the following guidelines:

- All required approvals are noted on the Purchase Order
- A 3-way match exists (PO, invoice & receiving)
- All items have been received and/or cancelled
- Partial payment , if allowed, is recorded or tracked
- The "reason" or "description" on the payment is appropriate for the expense

- Liquidated amount matches the amount paid
- The remaining liquidation is reversed during the final payment (if partial payments are allowed)
- Invoice numbers are entered correctly
- Invoice Date is after the PO approval date
- Vendor remittance address is correct
- Items listed on purchase order agree to items listed per invoice
- Sales tax is not included on invoice
- Due date has not passed
- Discounts, if any, have been taken
- Credits, if any, have been taken
- Invoices are originals (if a copy is used, it should be stamped "original" once it has been verified that the invoice has not been paid)
- Late fees, interest charges, etc. have not been charged, unless they have been researched and are valid
- Invoices for all contracted services include details regarding the service provided and the date(s) of service

### **Travel Payments:**

All travel authorizations shall go through the normal approval process.

Meal advances are issued to the traveler no more than 30 days prior to the travel event (IRS Regulations).

Lodging advances or payments do not include non-allowable charges such as taxes, entertainment, room service, etc.

Travel reimbursements must be supported by original receipts.

Mileage advances or payments do not exceed the federal, state, or local maximum rates, whichever is less.

Travel advances, if any, are held for travel settlement and/or certification (IRS Regulations). Normally the only advance payments issued are for meal per diem.

### **Credit Card Payments:**

The District credit card may be used with prior approval from the Business Manager or the Assistant Superintendent of Finance. Once approval is granted, a purchase order number for the expenditure must be obtained before credit card information will be released.

All credit card charges must be supported with original, detailed receipts.

All credit card transactions shall be net of all credits and discounts.

### **Administrative Approval of Disbursements:**

The Business Manager or Assistant Superintendent of Finance should approve all invoices ready for payment. This approval is done electronically in Skyward.

After the invoices have been approved, the Accounts Payable Clerk may proceed with generating the check payments.

### **Segregation of Duties:**

The signature files shall be maintained by the Secretary to the Assistant Superintendent of Finance. The file shall contain the signatures of the Board President and Secretary.

The District Receptionist shall verify that all checks have two (2) board signatures prior to releasing the checks to vendors.

The District Receptionist shall verify that all checks are placed in the mail.



The Accounting Specialist shall reconcile all bank accounts with the general ledger using the online banking system. The “sealed” bank statements shall be delivered to and opened by the Secretary to the Assistant Superintendent of Finance. The Assistant Superintendent of Finance shall review and approve all bank reconciliations.

**Control Environment:**

The Accounts Payable Clerk shall ensure that all check stock shall be maintained in a locked cabinet or room and shall be inventoried for the purpose of restocking when less than a two (2) month supply of checks is on hand.

Anytime a check is removed from the check stock it should be documented on the Check Log. The Check Log should include the check number(s) issued, initials of the Accounts Payable clerk, initials of the Business Manager or Assistant Superintendent of Finance, and it shall remain locked with the check stock.

The Secretary to the Assistant Superintendent of Finance shall notify the depository bank when new signature cards are necessary due to a change in authorized signers.

All vendor files shall be filed by vendor name in alphabetical order. Individual names shall be filed by surname.

All “void” checks shall be logged by the Accounts Payable Clerk. Log and voided checks shall be filed in a separate file in check number order.

- Checks not cashed by the expiration date (6 months from date of issue) will be voided. The funds will be distributed in accordance with the State of Texas Unclaimed Property Guidelines unless the payee is located and requests a reissue. At the District’s discretion, a \$25 reissue fee may be assessed.

All vendor refunds shall be deposited to the original expense account via a journal entry or cash receipt. The Business Manager and or the Assistant Superintendent of Finance shall approve all journal entries. The Business Manager and the Assistant Superintendent of Finance review all cash receipts monthly.

Weekly, the District Receptionist shall prepare an open purchase order report for each department and send to the respective Budget Manager and secretary for review. All aged POs should be researched to determine if the goods have not been received, not paid for, or the expense has not been liquidated.

The Accounts Payable Clerk shall monitor the pending invoices and open purchase orders to ensure that unmatched documents are resolved on a timely basis.

Section 14: INSUFFICIENT FUND (NSF) CHECK  
COLLECTION

## Insufficient Fund (NSF) Check Collection

**Note: If a parent or student has written three (3) or more NSF checks to your campus or department, the principal or supervisor shall no longer accept checks from them.**

Insufficient fund checks are submitted for redeposit when the Business Offices receives them from the bank. If possible, the checks are submitted on Fridays, the 15<sup>th</sup>, or the 30<sup>th</sup> of the month.

If the check is returned for a second time, the general ledger account in Skyward will be reduced by the amount of the NSF check.

A copy of the check and the information from the Business Office are sent to the respective campus or department. The campus principal or designee shall contact the originator of the check by phone to collect the amount of the check as well as a \$25 NSF fee.

If funds have not been received within five (5) business days, the campus principal or designee shall send the check originator the District's [Demand Letter](#) via Certified Mail. The check plus a \$25 fee should be requested in the form of cash, cashier's check, or money order. Cash payments will only be accepted in the Tax Office of the Administration Building. Cashier's checks or money orders may be mailed to the following address:

Barbers Hill ISD  
Attn: Tax Office  
PO Box 1108  
Mont Belvieu, TX 77580

After fifteen (15) days from the date of the Demand Letter, above, if the check originator has not paid, the principal or designee shall notify Beth Dodd, Deputy Tax Collector. All supporting documentation including the phone number shall be sent to Beth. The District will proceed with filing suit with the County Attorney after all supporting documents have been provided and approved by the Assistant Superintendent of Finance.

When the check and \$25 fee are collected by the Tax Office, the money will be deposited back into the original general ledger account in Skyward. The \$25 fee will be deposited to offset the bank's NSF fees charged to the District.