

Duncanville ISD

Financial Procedures

Activity Accounts, Finance, and Payroll

Duncanville ISD Financial Procedures Manual

Business Services hopes you will find this reference helpful in answering some of the more commonly asked questions of Business Services personnel. This is not a complete procedure manual, but rather a guide to help you comply with Duncanville Independent School District procedures, regulations, policies, and the goals and priorities of the Duncanville Board of Trustees for the current school year.

MISSION

The mission of Duncanville Independent School District is to provide each student with the necessary skills to achieve lifelong success and contribute to a global society. Our pledge is to give the highest quality of customer service.

How We Serve You:

Financial Services
Accounts Payable
Accounts Receivable
Payroll
Employee Benefits

Office Hours:

Monday through Thursday
8:00 a.m. to 4:30 p.m.
Friday
8:00 a.m. to 4:00 p.m.

Contact Information:

Office: 972-708-2000
Fax: 972-708-2020

FEEDBACK

We desire to get feedback and direction from you so we can continue to improve and meet your needs. You can contact the Director of Accounting to suggest additions or changes to the Duncanville ISD Financial Procedures Manual.

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Financial Procedures Manual Acknowledgement

By signing this acknowledgment, employee acknowledges employee has reviewed, has access to and/or has been informed of the location of the Duncanville Independent School District's Financial Procedures Manual, through the district's website under Departments, Business Services, Forms and Manuals, Duncanville ISD Financial Procedure Manual.

In the Financial Procedures Manual, employee understands that selected policies, practices, and procedures are set out, including those detailing the purchasing policies of the district. Employee further understands that the employee is required to abide by all Duncanville ISD policies, regulations, guidelines, and directives.

Employee understands that if requested, a hard copy of the Financial Procedures Manual will be made available to the employee. Employee understands that although a hard copy of the Financial Procedures Manual may be obtained from the employee's supervisor, hard copies may not contain the most current policies in existence.

All District employees are responsible for reading and complying with the most current version of all Duncanville ISD policies. All current policies may be accessed at <http://pol.tasb.org/Home/Index/363> or through the district's website at Board of Trustees, Policy Online. Questions may be directed to supervisors, department heads, Business Services, or other appropriate District offices.

I have read, understand, and accept the contents of this document.

Employee Legal Name

Employee Signature

Campus / Department

Date Signed

Activity Fund Overview

Activity Funds are defined as funds generated from school-approved money-raising events and the receipt of student dues or fees, commissions, investment interest and donations. These funds are to be used to promote the general welfare of the school and the educational development and morale of all students. All funds collected by school district personnel from students or teachers are defined as activity funds and must be handled through the activity funds accounts. Funds collected as a donation must have Board Approval before accepting the funds or items.

School administration is not responsible for funds collected, disbursed and controlled by the lunchroom or by outside organizations (i.e., PTA, athletic and band boosters clubs, etc.) and these funds should not be accounted for in a school district's activity funds. These organizations do not have the authorization to contract and/or sign on behalf of the District/Campus or utilize the District/Campus address. Also these organizations are not allowed to use the District's Tax ID.

Activity Funds are accounted for on a centralized basis in Business Services. In Business Services, Activity Funds are processed through two main accounts:

Fund 461 – Campus Activity Fund this account is used to process cash receipts and expenditures to be used for the benefit of the student body as a whole.

Fund 865 – Student Activity Fund this account is used to process cash receipts and expenditures to be used for the benefit of a specific student group.

Each campus is assigned sub-accounts to manage the financial operations of various campus or student groups.

Responsibility of Activity Funds

Principal/Designees – has the primary responsibility for the proper control, supervision, and safekeeping of activity funds on their respective campus. The Principal must ensure all appropriate staff members have reviewed the policies and procedures of the DISD Financial Procedures Manual. If the Principal determines that Activity Fund policies and procedures have not been followed, he/she should request a review by Business Services. Depending on the seriousness of the findings, the Principal shall confer with appropriate administrative personnel to determine possible disciplinary action against the employee.

Individual Activity Fund Sponsors – are responsible for properly managing the daily financial operations of their respective activity funds. This includes the following: Accurate and Updated Activity Fund Ledger, developing fund raising plans, monitoring the financial position of the activity fund, adequate documentation of activity fund transactions, timely deposit of activity fund cash receipts, safeguarding activity fund cash receipts until deposited, and other fiduciary responsibilities.

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Business Services – may conduct periodic audits of such funds as deemed necessary by school district officials or the board of trustees.

Money Handling & Depositing Responsibilities

Sponsor's Responsibility

Who is a Sponsor? A Sponsor is any school district employee who physically accepts cash/check on behalf of any activity fund account.

Receipting Cash & Checks

Sponsor should use a cash receipt book to document the physical receipt of cash or check. Activity Fund Receipt book should not be used by outside organizations (i.e., PTA, athletic and band boosters clubs, etc.). Cash receipt guidelines are as follows:

- Only pre-numbered, three-part activity fund cash receipt books should be used. Each three-part receipt should be distributed as follows:
 - 1st - Customer copy
 - 2nd – Principal/Designee copy
 - 3rd - Control copy (Control Copy must remain in receipt book and not discarded.)
- Before the physical transfer of cash and/or checks to the Sponsor can occur, an official receipt should be completed fully. Next, the completed receipt should be exchanged for the cash and or checks.
- Cash receipts should only be completed in pen.
- Under no circumstances should the receipt amount or signature be altered. If either of these errors occurs in the preparation of a receipt, void the receipt and issue a new receipt. All copies of the voided receipt should be stapled together and kept in the receipt book.
- A receipt must be written for all monies collected.

Tabulation of Monies Collected Form

This form shall be used in the individual school for miscellaneous collections under \$5.00. This form shall list contributions (no tally marks) and their contributions are filed with the principal's secretary. The principal's secretary shall issue a receipt to the sponsor for the total amount collected. Tabulation form must be turned in as a full page. Do not cut the form.

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Sponsor Deposit Guidelines

The sponsor's general deposit guidelines are as follows:

- Money on hand at the end of a school day should be turned into the campus office and locked in a secure location.
- The Sponsor's personal money should never be stored with student/campus activity fund money.

Sponsor Deposit Report

The Sponsor must complete a Sponsor Deposit Report to accompany every deposit submitted to the Principal/Designee. Sponsor must submit corresponding receipts or a Tabulation Sheet along with a Deposit Report. The completed Sponsor Deposit Report will accomplish the following two requirements:

- The Sponsor must attach copies of receipts for monies included on Sponsor's Deposit Report.
- The Sponsor must provide written documentation of where the money came from (i.e. Car wash, Dues, Type of fundraiser, etc.).
- The Sponsor must state whether taxable or not taxable.
- The Sponsor must provide written documentation of the total amount of money being submitted to the Principal/Designee. After the money is counted and accepted, the Sponsor should request a copy of the signed Sponsor Deposit Report from the Principal/Designee.
- If using Tabulation of Money Form please follow procedures in previous section.

Principal/Designee Responsibility

The Principal/Designee is assigned the primary responsibility of all cash/check collection on the campus. Cash and/or checks are received in the main campus office from the following sources: Sponsors, teachers, parents, students and outside vendors. Designee must ensure that every physical transaction of cash and/or checks is properly documented and physically secured until it is picked up by the District Courier and delivered to the bank.

Receipting Cash & Checks from Sponsors

The Designee should complete the following steps when physically receiving cash and/or checks from Sponsors:

- The Designee must only accept the Sponsor's deposit if it is accompanied by a properly completed Sponsor Deposit Report.
- The Designee should recount the cash to ensure that their cash count matches the total entered by the Sponsor on the Sponsor Deposit Report. The Designee should also re-add the check amounts to ensure that their check total matches the total entered by the Sponsor Deposit Report. If a change is necessary, the Designee and Sponsor should both initial the Sponsor Deposit Report.
- After the money and checks are counted and accepted, the Designee and Sponsor will both sign off on the Sponsor Deposit Report, and the Sponsor should receive a copy.

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Receiving Cash and/or Checks from All Other Sources (Students, Parents, & Vendors)

The Principal/Designee must use a cash receipt book to document all physical transactions of cash and/or checks from all other sources except Sponsors. Activity Fund Receipt book should not be used by outside organizations (i.e., PTA, athletic and band boosters clubs, etc.). The procedure for receiving cash/check from Sponsors is reviewed above. Cash receipt guidelines are as follows:

- Only pre-numbered, three-part activity fund cash receipt books should be used. Each three-part receipt should be distributed as follows, with a photocopy of the receipts included with the Sponsor Deposit Report:
 - 1st - Customer copy
 - 2nd - Sponsor's copy
 - 3rd - Control Copy (Control Copy must remain in receipt book and not discarded.)
- When receiving checks by mail, a receipt must be written and "Received by Mail" should be indicated in the "FOR" portion of the receipt. White copy will remain in receipt book.
- Before the physical transfer of cash and/or checks can occur, an official receipt should be completed fully. Next, the completed receipt should be exchanged for the cash and or checks.
- Cash receipts should only be completed in pen.
- Under no circumstances should the receipt amount or signature be altered. If either of these errors occurs in the preparation of a receipt, void the receipt and issue a new receipt. All copies of the voided receipt should be stapled together and kept in the receipt book.

Principal/Designee Deposit Guidelines

The Designee's general deposit guidelines are as follows:

- All cash and checks must be sent to the bank within 24 hours of their physical receipt date.
- Cash and checks must not be sent (by courier or any other means) to another campus or the administrative office.
- Money on hand at the end of the school day should be locked in the school safe located in the secretary's office. Desk drawers are not considered a secure location.
- The Designee's personal money should never be stored with student/campus activity fund money.

Principal/Designee – Deposit Control Sheet

At the start of the school year, Business Services provides each Designee with a new Deposit Control Sheet for each main account.

The Designee must complete a Deposit Control Sheet for every deposit. Once completed, the Deposit Control Sheet provides Business Services with the necessary information to properly credit the deposit to the appropriate sub-account(s).

In addition, the Designee must clearly document on the Deposit Control Sheet instances when a

- Sponsor's fund raiser deposit is Taxable.

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Principal/Designee –Deposit Slip

Next, deposit slip must be completed. General deposit slip guidelines are as follows:

- Each deposit slip must reference the correct account code.
- Deposit slips must indicate if the deposit is taxable.
- Business Services will post the deposit to the appropriate budget/activity account after the physical receipt of all proper documentation, deposits are posted weekly. Remember, missing information may delay the proper credit to the appropriate account.

Principal/Designee – Complete Deposit Package

After all required deposit procedures are complete, the Designee should file each deposit package as follows (the following documents should be stapled together):

- Copy of Deposit Slip
- Copy of Deposit Control sheet
- All Sponsor Deposit Reports
- All other documentation (i.e. check stubs)

Fund Raising: Policy and Procedures

Fundraisers are the primary source of revenue for most activity funds. In order to ensure that each fund raising event is conducted in accordance with District guidelines, the following policies and procedures should be strictly followed.

General Guidelines

1. NO “joint” fundraisers between Activity Funds and outside organizations (i.e., PTA, athletic and band boosters clubs, etc.).
2. No student shall solicit door-to-door.
3. The fund raiser profit must be used to benefit the student group responsible for raising of the money
4. Money and checks must NOT be stored at the Sponsor’s home.
5. Merchandise must be kept in a secure, locked location within the District to avoid being lost or stolen. The Sponsor is responsible for the safekeeping of the merchandise.
6. No person is permitted to cash personal checks with money being readied for a deposit.
7. No person is permitted to pay vendors with cash from a fund raising activity. All expenditures will be made by purchase order.

Most importantly, all campus-wide, student or teacher fund raising activities must be approved on the FUND RAISING/SALES ACTIVITY FORM by the appropriate Principal/Director and Chief Financial Officer before a fund raising event can occur.

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Fund Raiser/Sales Activity Application

This form must be completed in full by the Sponsor and approved by the appropriate Principal/Director at least two weeks before the fund raiser. Every properly approved fund raising activity requires that the following steps be completed:

1. The application must be completed by the individual Sponsor. It should be printed, filled in, and forwarded to the Principal/Director to be approved.
2. Once approved, the original should be kept on file at the main campus office by the Principal/Designee and a copy forwarded to Business Services.
3. In the event that approved dates and/or details change, the Sponsor must submit a new or revised application to be approved.

Tax Exempt Sale Guidelines

Purchases Made

Any purchases made in the name of the school district or group of the school district are exempt from sales tax. Exempt organizations are entitled to an exemption only on items purchased and used directly and exclusively in pursuit of the exempt purpose. For school districts, items purchased must relate to the educational process.

Purchases made by individual members or teachers/coaches of classes or teams have no exemptions even though they are connected with a school or a school organization. Examples are: cheerleaders purchasing their own uniforms, band members purchasing their own instrument, or science students purchasing a science board.

In order to be afforded the sales tax exemptions, various certificates should be presented:

Tax Exemption Certificates – The Texas Sales and Use Tax Exemption Certificate should be presented each time a purchase is made. It must state that the merchandise being purchased is for the organization's own use in providing education, is being made in the name of the organization, and that payment will be made from the organization's own funds.

Resale Certificates – A Texas Resale Certificate should be given to the vendor when merchandise is purchased by the school for resale (such as fundraisers).

Hotel Certificates –Educational organizations and their employees traveling on official business of the organization are exempt from the Texas state hotel tax: the organization and their employees must pay local tax. The Texas Hotel Occupancy Tax Exemption Certificate must be presented at the time of registration at the hotel. When traveling out of state, district employees or groups are not afforded any tax exemption on hotels. (Individuals should be reimbursed for out of state taxes.)

Note that meals purchased by the school for group student travel on authorized school trips are exempt from the sales tax only if the school contracts for meals. (This would also apply for banquets

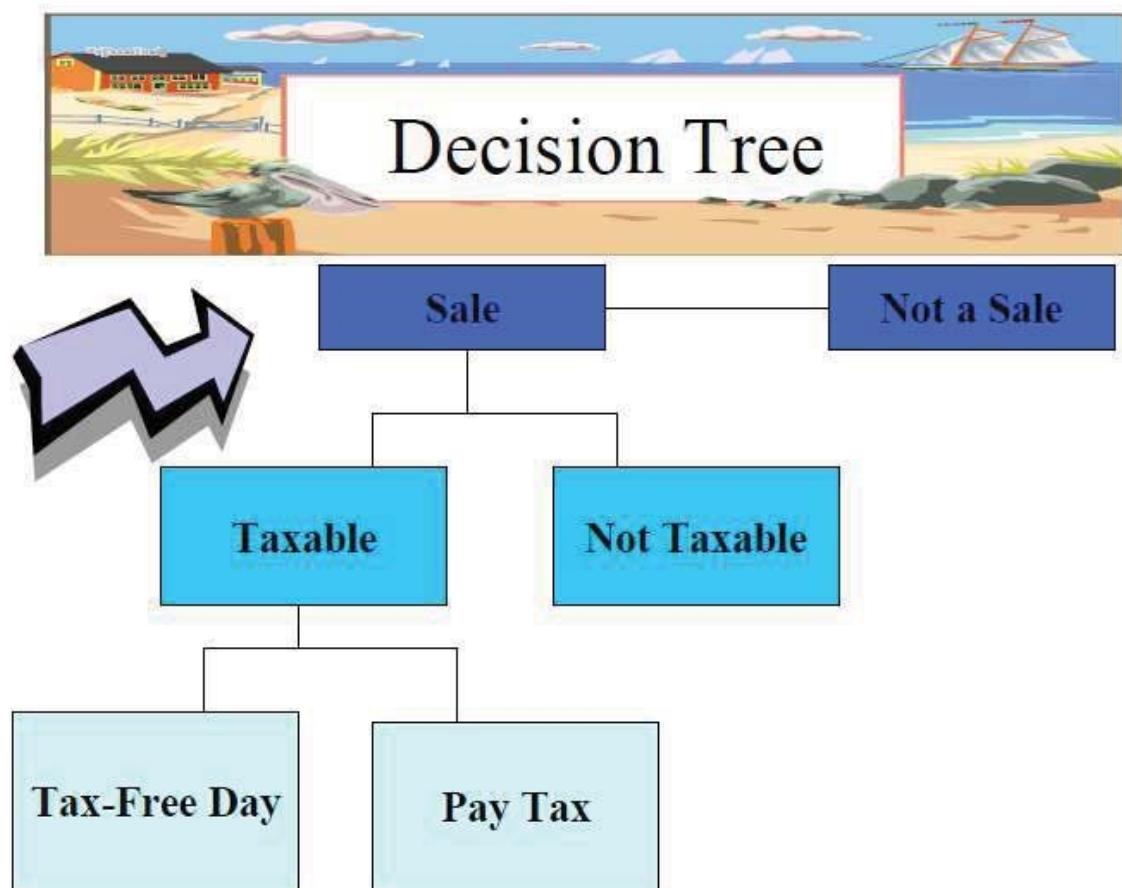
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for school groups.) Generally, the meal must be paid for with a school check and the eating establishment must be provided with an exemption certificate. Individual members of the groups may not claim exemption from sales tax on meals they purchase while on a school or school district authorized trip. (Individuals should be reimbursed for their individual meals.)

Revenue Received

Sale vs. Not a Sale

Often times, there is confusion as to whether something is a sale or not. For all revenue received, we must decide if it is a sale, or if it is not a sale.



A sale is the transfer of title or possession of tangible personal property for consideration (usually money). A sale also includes the performance of a taxable service for consideration. All sales (whether taxable or not) are to be reported on line 1 of the Texas Sales and Use Tax Return.

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Sale	Not a Sale
Admission – athletic, dances, dance performances, drama performances	Collection of money from students to pay a company for admission or service (i.e., Magic Theatre, Sea World, PSAT test)
Admission – summer camps, clinics, workshops, project graduation	Commissions received
Donated items that are sold	Donations of money to the school or school group
Fundraisers where we are the seller, not just the middle-people	Dues received for clubs
Parking Permits	Fees – musical instrument maintenance, lab, uniform cleaning, transcripts
Rentals of items	Fieldtrip collections
Rental of facilities	Fines received [textbooks, library books, parking, Locker, uniforms, calculators, obligations
Sales of Food	Fundraisers when the school group merely receives a commission (i.e., library book fairs, some author sales, recycling)
Sales of merchandise (to include items made by students)	Lost payments – books, handbooks, calculators, locks, ID cards
Sales of services	Marathon fundraisers – these are donations (i.e., lift-a-thon, jog-a-thon, jump rope for heart, basketball hoops)
School publication sales	NSF check redeposit Summer School, Saturday School, Community Education tuition and fees
	Summer School, Saturday School, Community Education tuition and fees

In some fund-raising activities, the school or school group is merely acting as a sales representative for a retailer, and tax must be collected. The tax would be remitted to the retailer, and the retailer would claim it as their sale and they would pay the tax to the Comptroller's office. The school would not report this type revenue as a sale. Examples are vending machine sales where the vendor services

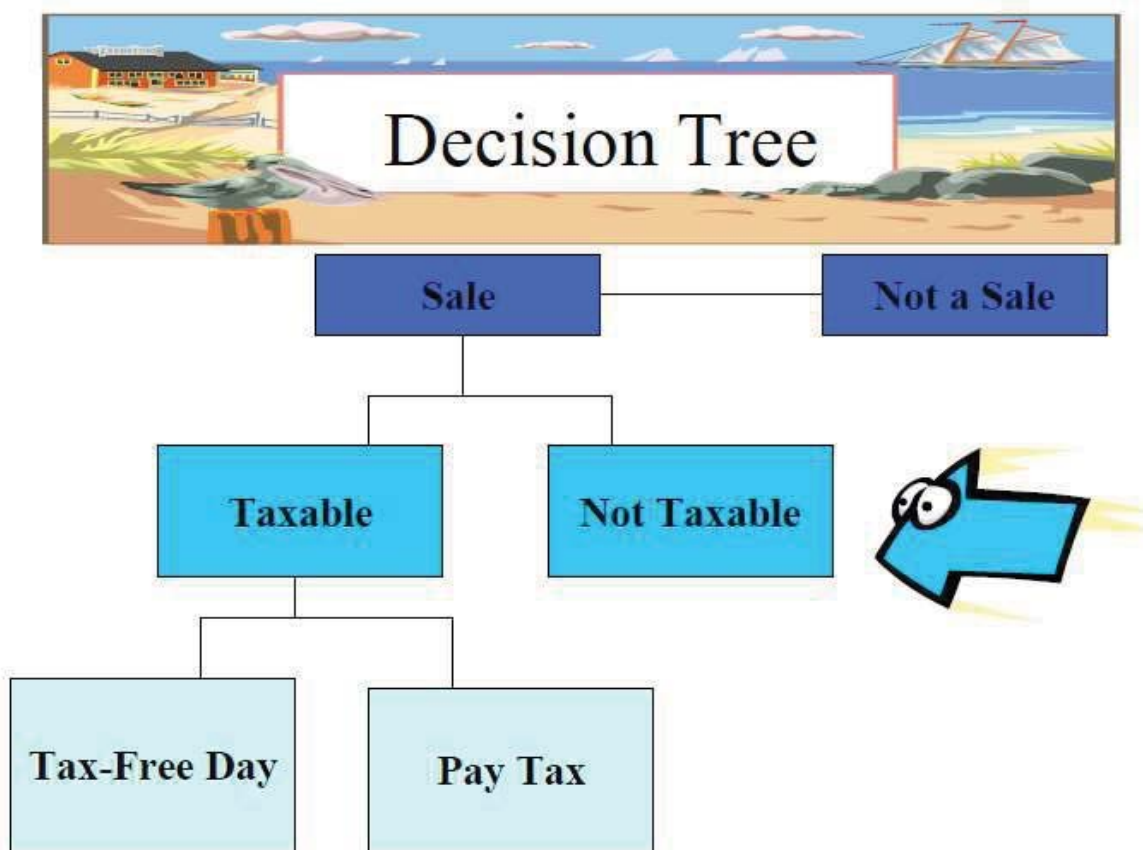
the machine, school pictures, and library book sales. Only when the school or school group purchases the merchandise and then resells these items to their customers is the school the seller. The school should provide a resale certificate to the retailer.

Taxable Sales vs. Non-taxable Sales

Texas sales tax statutes impose tax on the sale, lease, or rental of tangible personal property and selected services. Tangible personal property includes personal property that can be seen, weighed, measured, felt, touched, or that is perceptible to the senses in any other manner. When an individual purchases a tangible item and it becomes the personal property of someone, it is taxable.

It is irrelevant if the school logo is on the item or that the item will be utilized by a student in a school group for a school function.

School districts, schools, and school groups making sales of taxable items that do not have a specific exemption must collect and remit the tax. The items or activities on the following lists have been identified as being taxable or non-taxable by the Comptrollers' Office when sold or sponsored by a school, by an organization within a school, PTAs, Booster Clubs, and employee associations. Whether taxable or not, all sales are reportable as sales on the Texas Sales and Use Tax Return. The lists are not all-inclusive but may help you make determinations on other similar sales.



NON-TAXABLE SALES

Ad sales - in yearbooks, athletic programs, newspapers, posters
Admission – athletic, dances, dance performances, drama and musical performances
Admission – summer camps, clinics, workshops, project graduation
Admission – banquet fees
Admission - bids, prom, homecoming
Admission - tournament fees, academic competition fees
Cosmetology services (Products sold to customers are taxable)
Discount/Entertainment cards and books
Facility rentals for school groups
Food items sold during fundraisers (including annual plants and seeds that produce food for human consumption)
Labor - automotive, upholstery classes (parts are taxable)
Magazine subscriptions greater than six months
Parking permits
Services - car wash, cleaning

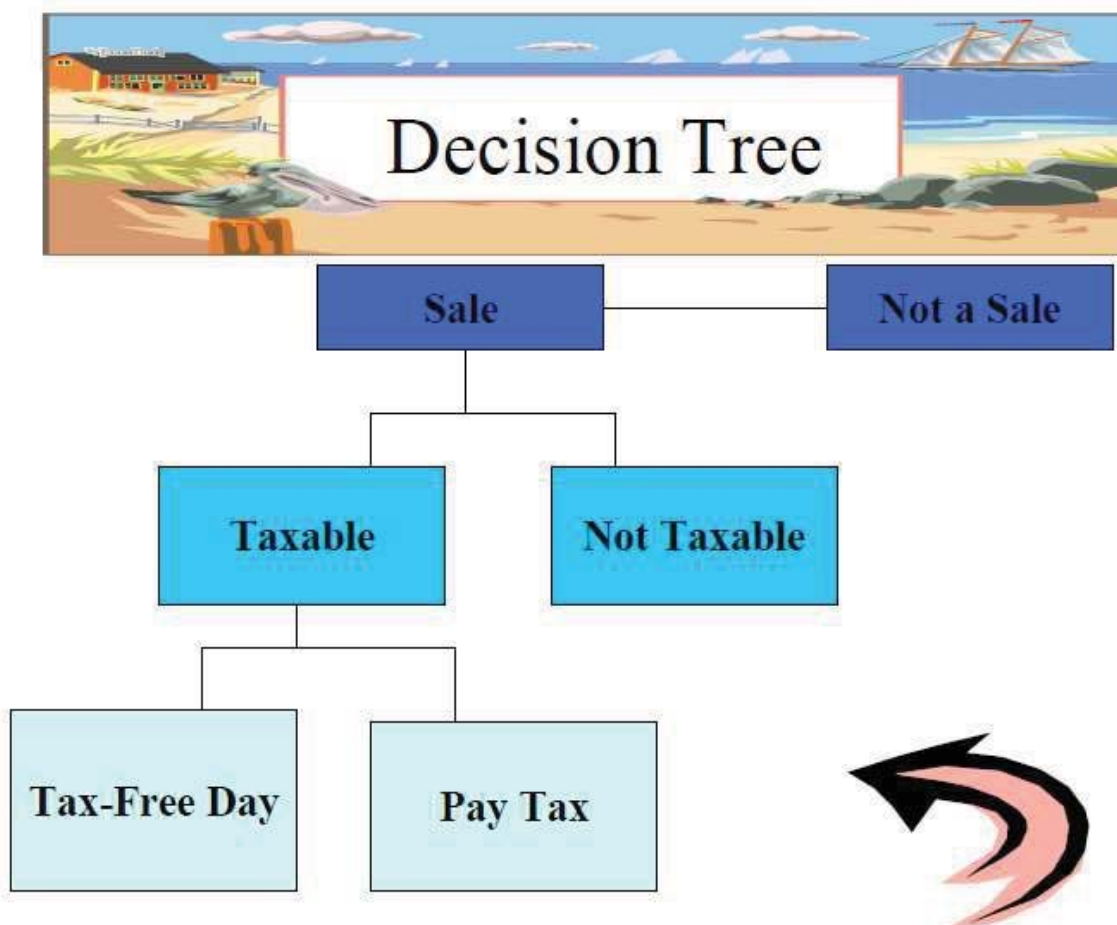
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TAXABLE SALES

Agenda books	Magazines – subscriptions less than six months
Agricultural sales	Magazines - when sold individually
Art - supplies and works of art	Musical supplies - recorders, reeds
Artistic - CDs, tapes, videos	Parts - career & technology classes (not to include products used in cosmetology)
Athletic - equipment and uniforms	Parts - upholstery
Auction items sold	PE - uniforms, supplies
Automotive - parts and supplies	Pennants
Band - equipment, supplies, patches, badges, uniform sales or rentals	Pictures - school, group (if school is the seller)
Book covers	Plants - holiday greenery and poinsettias
Books - workbooks, vocabulary, library, author (when we are the seller)	Rentals - equipment of any kind
Brochure items	Rentals - uniforms of any kind, towels
Calculators	Repairs to tangible personal property (i.e., computer repair, house remodeling)
Calendars	Rings and other school jewelry
Candles	Rummage, yard, and garage sales
Car - painting, pin striping	Safety supplies
Clothing - school, club, class, spirit	School publications - athletic programs, posters
Computer - supplies, mouse pads	School publications - brochures
Cosmetology products sold to customers	School publications - magazines (unless > six month subscription)
Cups - glass, plastic, paper	School publications - newsletters, newspapers (generally are not sold though)
Decals	School publications - reading books
Directories - student, faculty	School publications - sheet music, hymnals
Drafting – supplies	School publications - yearbooks
Family and Consumer Science - supplies and sewing kits	School store - all items (except food)
Fees - copies, printing, laminating	Science - science kits, boards, supplies
Flowers - roses, carnations, arrangements	Spirit items
Greeting Cards	Stadium seats
Handicrafts	Stationery
Horticulture items	Supplies – any sold to students
Hygiene supplies	Uniforms - any type to include PE, dance team, drill team, cheerleaders, athletic, club shirts
Identification cards – when they are sold to entire student body (not just the fine for a lost ID card)	Vending - pencils and other non-edible supplies when the school services the machine
Locks - sales and rentals	Woodworking crafts - entire sale to include parts and labor
Lumber	Yard signs
Merchandise, tangible personal property	

Tax-Free Days

Each school district, each school, and each bona fide chapter of each school is allowed to have two, one-day tax-free sales each calendar year. During these tax-free sales, the organization may sell any taxable item tax-free. The exemption does not apply to items sold for more than \$5,000, unless the item is manufactured by the organization, or the item is donated to the organization and is not sold to the donor. There is no limit on the number of bona fide groups at a school or school district.



A bona fide chapter is a group that must be organized for some business or activity other than instruction or a participatory group. Essentially, any student group that is recognized by the school and is organized by electing officers (not just participatory captains), holding meetings, and conducting business are bona fide chapters of the school and each group may have two, one-day, tax-free sales in a calendar year. Groups meeting for classroom instruction or team sports are not categorized as bona fide chapters and do not qualify for the tax-free day sales.

For example:

- The school district qualifies for a tax-free day.
- The school-wide fundraiser qualifies for a tax-free day.
- The Basketball Club qualifies, but the basketball team does not.

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- The Cheerleader Club qualifies, but not the cheerleader team.
- The Debate Club qualifies, but debate teams and classes do not.
- The French Club qualifies, but the French classes do not.
- The Senior Class qualifies, but not one particular class that has seniors in it.

One-day means 24 consecutive hours; the delivery should be made on a single day. Generally title passes to the purchaser when the item is given to the purchaser. In the case of pre-ordered and pre-paid sales, title can transfer as soon as the seller (school) receives the order. Therefore, the date the items are delivered by the vendor to the seller is designated as the one-day for the purposes of the tax-free sales. However, persons buying from surplus stock on subsequent dates after the tax-free day owe tax on the items.

When the school or school group receives a commission, the tax-free day sale provisions cannot apply because the sale is the vendor's sale, not the school's sale. The school group would collect and remit tax to the vendor, and the vendor would report the sale and remit tax to the Comptroller's office.

Food Sales

The sales tax statute exempts the sales of food, including meals, soft drinks, and candy, by a group associated with a public or private elementary or secondary school when the sales are part of a fund-raising drive sponsored by the organization, and all net proceeds from the sale go to the organization for its exclusive use. Student groups, PTAs and booster clubs are included in the provision. It does not matter if the sale is during the school day, the evening, or on a weekend; if it is a fund-raiser, it is not taxable.

However, tax-exempt sales of food by a school district (i.e., food service) are limited to the regular school day. Catered food sales by the district's food service are taxable unless sold to the school district. All athletic event concession sales are taxable unless the sales are part of a fund-raising event.

Accounting For One-Day Tax-Free Sales

The Principal/Designee has the responsibility of keeping track of the total number of One-Day Tax-Free Sales each organization has completed during the calendar year.

The Sponsor has the responsibility of determining whether or not a product fund raiser qualifies as tax exempt before the fund raiser application is submitted to the principal. If a Sponsor needs clarification of how many tax exempt fund raisers a particular club or organization has performed in a calendar year, then the Designee can provide this information to the Sponsor.

The Sponsor's Third Product Sale Fund Raiser in the Same Calendar Year

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The Sponsor's Third Product Sale Fund Raiser in the same calendar year is taxable, and every additional product sale fund raiser that occurs until the end of the calendar year is also taxable. It is the Sponsor's responsibility to clearly document on the Sponsor Deposit Report that the Fund Raiser Deposit is Taxable. It is the Principal/Designee's responsibility to clearly document on the Deposit Control Sheet that the Sponsor's fund raiser deposit is Taxable.

Sponsor/Booster Club Fund Raiser Restrictions

Sponsor Fund Raiser – a Sponsor must deposit all cash/check collected from a Principal approved Fund Raiser.

Booster Club Fund Raiser – a Sponsor may assist with a Booster Club Fund Raiser. Once the fund raiser has concluded, any donation to the Sponsor/Club must be provided in the form of an official Booster Club check.

Refund Procedures

The Principal/Designee has the responsibility of processing all lost textbook refunds. The Designee's specific procedures are as follows:

- 1) The Designee should review the cash receipt book to find the student's original receipt of payment.
- 2) A requisition should be processed to the parent/legal guardian to refund the student's original payment. The Designee should document the following information on the requisition: Amount of Refund, Student's Name, Title of Book, Last Four Digits of the Book's ISBN#, and the Campus Name. (All info can be found on the original receipt book.)
- 3) A copy of the Deposit Control Sheet and the student's original receipt should be attached to the requisition as back-up.

Returned Check Process

The District will utilize PayTEK Solutions. This will be coordinated through Duncanville ISD Business Services. The PayTEK Solutions permanent decals should be posted in a prominent location near the entrance of each school. This decal outlines Duncanville ISD's check acceptance policy. This policy is as follows:

Check Acceptance Policy

For a check to be an acceptable form of payment it must include your current, full and accurate name, date of birth, valid driver's license number, address and telephone number. In the event that a check written to a Duncanville Independent School District campus, club, or organization is returned unpaid by your bank, Duncanville Independent School District or its agent (PayTEK Solutions) will redeposit your check electronically. Additionally, you understand and agree that we may electronically collect a returned check fee of \$30.00 plus applicable sales tax. The use of a check for payment is your ACKNOWLEDGEMENT and ACCEPTANCE of this policy and its terms. You may reach PayTEK Solutions at (800) 641-9998.

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Principals, Sponsors, and appropriate administrative personnel should ensure that check writers understand and accept this policy.

Collection of NSF checks will be directly through PayTEK Solutions. No district employee will collect funds for NSF checks.

Cashing of Checks

Under NO circumstances will personal and/or payroll checks be cashed.

Purchases from Activity Funds

The policies and procedures which apply to the expenditure of General Funds also apply to the expenditure of Activity Funds. The following general guidelines apply to the purchasing process in relation to Activity Funds:

- Purchase of Gift Cards/Certificates will NOT be allowed. In accordance with Federal Cost Principles OMB Circular A-87 gifts or items that appear to be gifts are Unallowable.
- No expenditures for the following will be made:
 - + individual professional dues,
 - + private club memberships,
 - + alcoholic beverages and
 - + other similar/related expenses.
- Business Services will not reimburse employees for sales tax they paid for purchases on behalf of Duncanville.
- All expenditures from Activity Funds must be made by Purchase Order.
- No expenditures will be made using non-deposited cash.
- District approved Purchase Order must be obtained before any activity fund purchase can be made.
- All cash receipts must be submitted to Business Services within two days of the original transaction date.
- No purchase shall be made unless sufficient funds are available in the proper Activity Fund Account.
- No attempt to by-pass District procedures for expending budgeted District funds by using Activity Funds will be made.

Booster Clubs, PTA, PTO and other related organizations

Regarding Booster Club, PTA, PTO, and other related organizations, the following directives regarding a sponsor's duties and responsibilities with the Booster Club, PTA, PTO, and other related organizations include, but not limited to:

- They may not have responsibilities of management or distribution of the Booster Club, PTA, PTO, and other related organizations monies;

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- Do not serve in any capacity of the Booster Club, PTA, PTO, and other related organizations as an officer;
- May not be identified on any financial document or agency related to the Booster Club, PTA, PTO, and other related organizations;
- May not receipt monies collected on behalf of the Booster Club, PTA, PTO, and other related organizations. May only collect and hold monies, in accordance with Duncanville Activity Account procedures, for the purpose of having a Booster Club, PTA, PTO, and other related organizations representative pick-up the monies;
- Any monies donated by the Booster Club, PTA, PTO, and other related organizations to the campus organization must follow the Duncanville Activity Account procedures; and
- Booster Club, PTA, PTO, and other related organizations may not utilize the District or campus address or tax exempt status.

Sponsor/Booster Club, PTA, PTO, and other related organizations Fund Raiser Restrictions

Sponsor Fund Raiser – a Sponsor must deposit all cash/check collected from a Principal approved Fund Raiser.

Booster Club, PTA, PTO, and other related organizations Fund Raiser – a Sponsor may assist with a Booster Club, PTA, PTO, and other related organizations Fund Raiser. Once the fund raiser has concluded, any donation to the Sponsor/Club must be provided in the form of an official Booster Club, PTA, PTO, and other related organizations check.

End of Year Record Collection Procedures

Sponsor Responsibilities:

Turn in the following to Secretary/Designee:

- All receipts books dated current school year. If you have any partially used receipt books, turn them in as well and they will be re-issued in August.
- All receipt books must be clearly marked with campus and club/activity name.
- Sign summary sheet once you ensure that it is a true and accurate record of account for the activity/club.

Secretary/Designee Responsibilities:

Turn in the following to the Principal:

- Summary sheets and ledgers must be in balance with Skyward.
- All documentation/paperwork that supports or backs up all revenues and expenditures.
- All records, along with completed checklist, are to be stored in a storage box and labeled appropriately. Schools shall box up the records and receipt books, store in Principal's office during the summer months.

A Business Services audit may occur to review all documentation

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Activity Fund Record Retention Policy

All Sponsors are responsible for tracking all deposits and expenditures for their perspective sub account and for verifying against Skyward reports.

All designees must print Skyward detail reports of all Activity Fund Accounts for review and approval by Sponsors.

All records should be kept current and in good order for a period of five years and available for audit any time.

Purchasing / Policies and Procedures Overview

General Information

All tangible items and services must be ordered using a Purchase Order. Issuance and approval of the Purchase Order must proceed the ordering of goods and services. No purchases, charges, or commitments to buy goods or services for the district can be made without an approved Purchase Order. Items ordered with any other method violates Board Policy and will be subject to the Chief Financial Officer's approval. Duncanville Board policy (CH LOCAL) states "All purchase commitments shall be made by the Superintendent or designee on a properly drawn and issued purchase order, in accordance with administrative procedures. However, any single, budgeted purchase of goods or services that costs \$50,000 or more, regardless of whether the goods or services are competitively purchased, shall require Board approval before a transaction may take place. District employees shall not be permitted to purchase supplies or equipment for personal use through the District's Purchasing Department." Any person in violation of this policy may be liable for the purchase of the items, and possible stricter consequences.

Accounts Payable Calendar

Business Services issues checks according to Business Services Pay Schedule posted on the District's website. The processing schedule is as follows:

All Received POs with supporting documents and invoices are due in Business Services by the end of the business day listed as the calendar. Checks are processed and compared to supporting documents for accuracy of vendor name, address and dollar amount and then printed by the end of the business day listed as the pay date. Checks will be printed once a week. Checks are released for mailing or pickup by the end of the business day following the pay date. Exceptions are made to the procedures only with the approval of the Director of Accounting or the Chief Financial Officer.

Employee Reimbursements

It is best practice not to have employee reimbursements (exception travel). If an unforeseen, emergency situation occurs and a purchase must be made without prior approval, immediately enter a requisition and e-mail the Director of Accounting (mmoran@duncanvilleisd.org) with a statement justifying the purchase.

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Employee Responsibility -

Part A of Professional Development/Travel form needs to be completed and approved before travel arrangements are made for any conferences, workshops, etc. Part A needs to be attached to request for Hotel, Registration and ER.

All employees enter their own ERs in Skyward. Before entering an ER for the first time, the employee must contact Purchasing to be set up as a vendor in Skyward. Employees will be reimbursed through a direct deposit to the bank on file with payroll. Employees will need to select a Pre-verifier from the drop down list. After entering the detail line the employee will need to select an account code from the drop down list or if not listed, enter the code provided by the secretary when Part A of the Request for Professional Development/Travel form is approved by Principal. The employee should attach the Part A and B of the Travel Form and any other receipts, statements, etc. After submitted the employee will give original documentation to their secretary. Original documentation is not required in the business office but will need to be retained at the campus/department level for audit purposes.

Campus Secretary Responsibility -

At the campus level, employee reimbursements should be checked for proper paperwork to include the Travel A and B Form, proper back up for expenses claimed and legible itemized receipts. Claimed expenses on Travel A and B Form should match what is entered for reimbursement and attached to the ER. When employee reimbursements have been verified and approved at the campus level, they are routed to the Finance Department for processing. If for some reason employee reimbursements are not processed and denied, an email notification with the denial reason will be sent to the person who entered the employee reimbursement. The person who entered the employee reimbursement will correct the issues, resubmit the employee reimbursement and the verification and approval process will start again.

Check Request

Check Requests can only be used for the following circumstances:

Field Trips

Student Meals

Hotels

Entry Fees

Officials

SRO (Student Resource Officer)

Requisitions

A requisition is an internal document by which a campus or department of the district requests the Purchasing Department to initiate a purchase order. It is a request generated electronically (through the use of Skyward) for the purchase of supplies, services, equipment, etc. A requisition is an

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unapproved purchase order. No purchasing commitment shall be made without an approved purchase order.

The following purchasing directives must be followed:

- Approval of purchases must be made prior to a purchase
- Request for payment without a purchase order approved by Business Services/Purchasing Department will become the responsibility of the person ordering the material or service.

Purchase requisitions are initiated by those having proper authority and flow through a designated campus or department approval process until final approval is given. Requisitions which require expenditures from a Special Revenue Fund must be approved by the program administrator (Federal Programs, etc.)

Skyward provides extensive purchase order inquiry capabilities that permit the user to check the approval status of any requisition. Some requisitions, such as those for technology, federal funds, etc., must proceed through an additional level before receiving final approval. Once a requisition is approved and a purchase order number is assigned, the purchase order may be sent to the supplier.

Requisitions must go through the appropriate approval levels. This is achieved via the workflow approval process within the Skyward system. After the requisition is entered, it will automatically be sent to the appropriate approver within Skyward.

When requisitions have been approved at the campus level, they are then routed to the next level for approval. The Purchasing Department has the final approval. If for some reason, requisitions are not approved, an email notification of the denial reason will be sent to the person who entered the requisition.

Requisition Format

In order to avoid delays in processing, requisitions should include all information necessary to clearly define the needs of the user department or campus. Requisition information required includes the following:

- Complete, specific, and accurate description of items to be purchased
- Quantity ordered, unit cost
- Shipping/freight costs, if any
- Vendor name and address
- Account code to be charged
- Discounts, if any
- Delivery destination (campus, Admin Bldg., etc.) and "to attention of" included in requisition
- Special instructions must be written in the notes to Purchasing Department
- The Principal/Supervisor is responsible for ensuring the accuracy of the requisition

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Requisitions received by the Business Services are reviewed for the following items prior to approval of a purchase order:

- Accuracy
- Adequate description
- Proper account coding
- Supporting documentation
- Overall completeness

Note: Split fund coding a single requisition is necessary when purchasing more than one item that requires different codes within the same requisition. An example of this would include the purchase of items for library supplies and award incentives. Library supplies would be coded 199-12-6399
Award incentives would be coded 199-23-6499

Purchase Orders

Skyward is used to enter requisition information for standard Purchase Orders. Once a requisition is completely approved it becomes a purchase order. As the Purchase Order information is entered, the system immediately posts an encumbrance entry for each account code used on the Purchase Order. The encumbrance entry reduces the available budget remaining in those accounts. Purchase Orders are issued on a daily basis by the Purchasing Department based on information submitted on requisitions and are not to be modified once issued. Once a Purchase Order is issued, the same Purchase Order number cannot be reused for reorders. After a Purchase Order number has been assigned, the Purchase Order may be faxed or e-mailed to the company. A Purchase Order, once approved, is a binding commitment for the District to remit payment to the vendor after the item(s) and/or services are received. Once items are shipped and/or services performed, the vendor must submit a properly executed invoice to Business Services to receive payment. Funds remain encumbered until the Purchase Order is closed.

Credit Card Use

1. Chevron and Costco Credit Cards are issued in the district's name. All purchases made on a Credit Card must be made by the cardholder, on behalf of the District. Purchase Order must be in place before the use of card. The cardholder is responsible for the security of the Credit Card and the transactions made with it. Failure to follow these guidelines may result in disciplinary action, up to and including termination.
2. Chevron Credit Cards will be distributed through Business Services.
3. Duncanville employees do not pay their own monthly Credit Card bill. The Duncanville Credit Card Program does not affect the cardholder's credit rating in any way. The Credit Card Program carries corporate, not individual, liability.
4. With an approved PO on file, the cardholder may use the Costco Credit Card. It may be used for in store purchases. Special approval for mail, internet, and telephone or fax orders must be obtained from the Chief Financial Officer or Director of Accounting prior to use. Discretion should be used in order to protect the Credit Card and the card number.
5. The Credit Card may be used to reserve a hotel for or purchase airline tickets for district travel, but shall not be used by any District employee to pay for auto rentals or hotel room charges. All travel arrangements shall be made in accordance with District Travel Policy.

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6. The Duncanville Independent School District is a tax-exempt entity and does not pay sales tax. The Cardholder should be prepared, if requested by a Vendor, to present a copy of the Duncanville ISD sales tax exemption form when making a purchase. This form may be accessed on the Business Services' website.
7. The Credit Card is not intended to avoid or bypass appropriate purchasing or payment procedures as outlined in Board Policy CH or the Financial Procedures Manual. This program complements the existing processes available.

Receiving

Monitoring the delivery and receipt of Purchase Orders is the responsibility of the campus/department receiving the items ordered. This ensures that the District actually receives what is purchased. It is recommended that each campus assign a specific individual with receiving responsibilities who is familiar with receiving procedures. No orders can be shipped to employees at their home address. All deliveries must be made at district facilities.

Receiving Procedures

- Procedures should also be in place for receiving supplies during the summer and winter breaks.
- Items ordered with a purchase order will be delivered to the site from the supplier.
- It is imperative to receive (check in) items within 24 hours after receipt.
- Vendors are required to send invoices to Business Services attention: Accounts Payable for payment processing.
- Packing slips should accompany shipment of supplies and should be used for assuring correct contents (quantities and description of items shipped)
- Do not delay the 24 hour time frame of receiving shipments (through Skyward) because of a lack of an invoice.
- Invoices should be immediately sent to accounts payable if sent with shipment.

Suppliers cannot be paid until the receiving activity has taken place. Invoices are overdue 31 days after the later of 1.) the date the goods and/or services are received and 2.) the date the District receives a correct invoice. This is a test the auditors perform every year and the District is written up on the Annual Audit when the auditors find anything paid late. If interest or late fees are assessed due to late payment, the budget code used to make the purchase will be charged for the penalty. (Prompt Payment Act, Section 2.40)

If the person performing the receiving cannot locate the packing slip, he/she should immediately contact the vendor and request a copy.

Purchase Order Closure

In the event it becomes necessary to cancel a Purchase Order, the campus/department must advise the Purchasing Department by email. The Purchase Order will be canceled causing Skyward to liquidate the funds encumbered. Purchase orders are valid for the current fiscal year only and subsequently will be closed.

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Campus/Department Responsibilities

- Shall ensure that the requisition request is a complete, specific, provides an accurate description, the 5 W's (Who, What, Where, Why, and When) and that the purchase supports individual campus plans.
- Shall ensure that the purchasing process (through the use of an approved purchase order) always precedes the payment process.
- Shall only initiate procurements that are within approved budget authority.
- Shall be diligent in planning ahead to ensure that requisitions submitted for approval transpire in a timely manner to allow for adequate review and revisions if necessary. "Rush" approvals of requisitions should only be used in extreme emergencies.
- Shall use approved vendors to procure goods and services.
- If necessary, shall confirm with the Purchasing Department that an approved vendor is not available for goods or services needed.
- If a vendor must be contacted to obtain information to prepare a requisition, shall explain to the vendor that the request for information does not represent a commitment to purchase.
- Shall provide for initiating the procurement only through a properly approved purchase order.
- Shall monitor the Purchase Order and notify appropriate personnel of any cancelations of Purchase Orders.
- Shall not release the requisition/purchase order number or use a draft copy of the requisition in dealing with the vendor until there is an approved Purchase Order by the Purchasing Department. The approval process is not complete until the status of the requisition has changed from Batch (B) to Open (O) by the Purchasing Department.
- Shall not make any commitments to acquire goods or services in the name of the District for personal use or ownership.
- Shall process all requests for procurement that cost or aggregate to a cost of \$50,000 or more through the Purchasing Department for Board approval.
- Shall follow Purchasing Department procedures for emergency purchases.
- Shall be responsible for complying with Board Policies and the Financial Procedures Manual procedures when purchasing goods and services for the District.
- Shall not make changes to purchase orders without prior approval from the Purchasing Department.

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- Shall ensure that items ordered match the Purchase Order.
- Shall record the receipt of goods or services in Skyward.

Business Services Responsibilities:

- Shall not approve a requisition after the event or purchase has taken place (after-the-fact) until supporting documentation is received from the party making the purchase. The documentation will be reviewed for approval or denial, and a course of action will be determined.
- Shall review each requisition in a timely manner for completeness and accuracy.
- Shall verify correctness of budget coding according to regulations.
- Shall work cooperatively with campuses and departments to resolve problems and questions.

Vendors

- An approved vendor is a vendor that has been awarded or entered a BID/Proposal with the District or a Purchasing Cooperative in which the District is a member and normally provides greater savings to the District because of the competitive procurement process. Campuses/Departments are encouraged to seek additional discounts from approved vendors during the requisition process. If the goods or services are unavailable from an approved vendor, the campus may find the goods or services elsewhere with complete W-9 vendor request information provided to the Purchasing Department.
- Name of the requested vendor
- Specific description of the item/items being ordered that cannot be purchased through other approved vendors
- A W-9 form is available on the District website. (The form must be distributed to new vendors by the requesting campus)

Technology Purchases

The Chief Technology Officer must initiate all technology software, hardware, and peripherals purchases. All technology assets are tested before purchase to ensure compatibility. (Please allow time for Technology staff to test products if the purchasing equipment or software is new to the District). The purchase will be evaluated on the following criteria:

- Appropriateness to the educational setting
- Compatibility with existing systems
- Need
- Existing District standards

In order for the District Technology Department to better serve campuses through the support and identification of technology items, it is imperative to adhere to the following procedures:

All Purchase Orders for Technology items (digital cameras, Elmos, projectors, computers, printers, scanners, etc.) must be submitted to Technology through a ticket in Eduphoria through "helpdesk".

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The Helpdesk will read the ticket, get quote from vendor, email campus with quote and get budget code. Technology Department Secretary will originate a Purchase Order to the appropriate vendor.

The District Technology Department will insure the items are processed and delivered (by District Technicians) to individual campuses in a timely manner to the person who originated the request.

Account Code Overview

In accordance with the Texas Education Code, <http://www.tea.state.tx.us/index4.aspx?id=1222> The Texas Education Agency has developed a standard fiscal accounting system to be used by Texas school districts. While the major purpose of this standard accounting system is compliance with the law, it was also designed to serve as a basic management tool for use in recording, controlling and reporting the financial activities of the District. The major component of this accounting system is a twenty (20) digit code structure. Within this code structure, fifteen (15) digits are required to be used for state reporting purposes. The remaining five (5) digits may be used at local option. The accounting code structure the District is currently using is illustrated below.

ACCOUNT CODE STRUCTURE

XXX	XX	XXXX	XX	XXX	X	XX	XXX
Fund	Function	Object	Local Option Sub-Object	Organization	Fiscal Year	Program Intent	Local Option

Basic System Code Composition

Fund Code *The first set of digits in the line code (199-)

A mandatory 3 digit code is to be used for all financial transactions to identify the fund group and specific fund.

Function Code *the second set of digits in the line code (199-xx-)

A mandatory 2 digit code applied to expenditures that identify the purpose of the transaction. The most often used function codes with a brief explanation are explained in upcoming pages.

Object Code *the third set of digits in the line code (199-11-xxxx)

A mandatory 4 digit code that identifies the nature and object of an account, a transaction, or a source. (Example 199-11-6399)

Local Option (Sub-Object) *The fourth set of digits in the line code (199-11-6399-xx)

An optional two (2) digit code used to account for information not otherwise provided by the mandatory chart of accounts. The Duncanville ISD uses this code for additional accounting control and program information. (Example 199-11-6399-19)

Organization *the fifth set of digits in the line code (199-11-6399-19-xxx)

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A mandatory 3 digit code that identifies the organization (high school, middle school, elementary school, Superintendent's office, etc.) these are campus organization codes that are defined in the Texas School Directory for that school/campus. (Example 199-11-6399-19-003)

Fiscal Year *the sixth set (single digit) in the line code (199-11-6399-19-003-x)

A mandatory single digit code that identifies the last digit of the appropriate fiscal year. For the 2016-17 fiscal year of the district, a 7 would denote the fiscal year. In Skyward we often use "0" so that historical data is maintained from year to year, multi-year grants are an exception to this practice. (Example 199-11-6399-19-003-0)

Program Intent *the seventh set of digits in the line code (199-11-6399-19-003-0-xx)

A mandatory 2 digit code used to account for the cost of instruction and other services that are directed toward a particular need of a specific set of students. The intent (student group toward which the service is directed) determines the program intent code, not the demographic makeup of the students served. (Example 199-11-6399-19-003-0-99)

Local Option *the eighth set of digits in the line code (199-11-6399-19-003-0-99-xxx)

An optional 3 digit code that may be used by the District to further describe the transaction. Most frequently used to determine clubs in Activity Funds. (Example 199-11-6399-19-003-0-99-000)

Budget Codes

It is the campus/department responsibility to ensure the correct budget codes are used when entering a requisition. In order to process Purchase Orders in a timely manner, the correct budget codes must be used when the requisition is entered. A requisition that contains the wrong budget code will not be approved until the budget code is corrected. A comment from Business Services will be entered on the requisition whenever an incorrect budget code is identified. If questions arise regarding which budget code to use, contact Business Services for assistance.

FUNCTION- A mandatory two digit code that identifies the purpose of the transaction. This code is only applied to expenditures. The most widely used function codes, with a brief explanation, that are used by Duncanville ISD are as follows:

Function 11- Instruction (classroom/teacher)

Function 11 is used for activities that deal directly with the interaction between teachers and students (instruction of students). Teaching may be provided for students in a classroom, in other locations (example home), and in other learning situations (example television, multimedia, radio). This function includes expenditures for direct classroom instruction and other activities that deliver, enhance or direct the delivery of learning situations to students. Function 11 costs include instructional supplies including but not limited to classroom supplies, grade books, grade book software, licensing fees, report cards, student handbooks, testing materials for tests developed and administered by teachers, graduation expenses, field trips, band instruments, student handbooks, speech, occupational and physical therapy services, and professional and contracted services,

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supplies and materials, furniture and equipment directly related to instruction, and other related costs.

Function 12- Instructional Resources and Media Services (Library)

Function 12 is used for expenditures that are directly and exclusively used for establishing and maintaining libraries and other facilities pertaining to educational resources, and resource centers dealing instructional materials and media. Function 12 costs include the purchasing of library books, selecting, preparing, cataloging and circulating books and other printed materials, supplies for repairing books or other media materials, making available videos, filmstrips, tapes, TV programs, CD/DVD disks and similar materials that are maintained by a library or resource center.

Function 13- Curriculum Development & Instructional Staff Development (Staff Development for Curriculum Instruction)

Function 13 is used for expenditures that are directly used to aid instructional staff planning, developing and evaluating the process of providing learning experiences for students. Expenditures include in-service training, and other staff development for instructional personnel (Function 11, 12, and 13) of the school district, expenses related to research and development of new or modified instructional methods, techniques, procedures, services, etc. Function 13 cost include staff that research and develop instruction, fees for outside consultants conducting instructional in-service and staff development, travel and subsistence for instructional related staff to attend in-service or staff development meetings, and supplies for in-service training.

Function 21- Instruction Leadership (Facilitators)

Function 21 is used for expenditures that are directly used for managing, directing, supervising the instructional program, improving the quality of instruction and curriculum, and providing leadership for staff who provide instructional services (instructional supervisors, special population or educational program coordinators or directors [excluding Principals, Assistant Principals and related staff]). Costs of personnel who manage, supervise, direct and coordinate instruction, research and development, program evaluation and, as well as materials, equipment and supplies to support instructional administration are included in this function.

Function 23- School Leadership (Principal/Secretary)

Function 23 is used for expenditures that are used to direct, manage and supervise a school campus including the activities performed by the principal, assistant principal and other assistants while they supervise all operations of the campus, evaluate staff, and assign staff duties of maintaining records of students. Function 23 costs include Principals, Assistant Principals and clerical staff who maintain related staff records, compile and report student attendance data, maintaining student activity funds, expenditures related to teacher appraisals, designing of campus improvement plans, and costs necessary to maintain their offices.

Function 31- Guidance, Counseling and Evaluation Services (Counseling)

Function 31 is used for expenditures that are used for assessing and testing students' abilities, aptitudes, and interests, counseling students with respect to career and educational opportunities and helping them establish realistic goals. Function 31 includes costs of psychiatrists, psychological

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services, educational counseling, student evaluation and appraisal services, Diagnosticians, maintaining information on student course of study, testing, materials and standardized tests, supplies and equipment to support such activities, and student/parent counseling.

Function 32- Social Work Services (Social Workers, Truancy and Attendance Officer issues)

Function 32 is used for expenditures that are directly used for activities related to promoting and improving school attendance of students such as: a) Investigating and diagnosing student social needs arising out of home, school or community b) Casework and group work services for the child, parent, or both c) Interpreting the social needs of students for other staff members, d) Promoting modification of the circumstances surrounding the individual student which are related to his or her social needs and e) supplies and equipment to support such activities.

Function 33- Health Services (Nurse)

Function 33 is used for expenditures that are used for providing physical health services to students. This includes activities that provide students with appropriate medical, dental and nursing services. Function 33 costs include school physicians (including nurses that maintain the health of students or provide health services to students, contracted medical services that include doctor, dental, and vision visits and services, medical and health supplies to assist in health care, and student physical health screening and referral.

Function 34- Student (Pupil) Transportation

Function 34 is used for expenditures that are incurred for regular bus routes for transporting students to and from school and between schools on regular routes. *This Function is to be used by Business Services for Dallas County Schools.

Function 35- Food Service

Function 35 is used for the operation and management of the District's food service program. Expenditures coded to this function include the cost of food, labor, and all expenditures necessary for the preparation, transportation and storage of food. *This Function is to be used by Business Services for Sodexo.

Function 36- Extracurricular Activities

Function 36 is used for expenditures for school-sponsored activities outside the school day. Extracurricular activities include inter-scholastic athletics, drill team, cheerleading, UIL competition such as one-act play, speech, debate, band, National Honor Society, etc. Function 36 costs include physical exams for athletes, medical supplies to be used for athletics, athletic supplies and equipment (including uniforms for both athletics and band), travel for coaches, trainers, band directors, sponsors of debate, science competition, etc., including meals and lodging for students' competition and extracurricular activities.

Function 41- General Administration

Function 41 is used for expenditures that are for the purpose of managing or governing the school district as an overall entity. Examples of expenditures include expenditures incurred by the Board of Education, office of the superintendent, finance or business services, human resources, textbook

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custodian, tax administration, and general administrative services along with supplies needed to support the above.*This Function is to be used by Administration.

Function 51 – Facilities Maintenance and Operations

Function 51 Facilities Maintenance and Operations is used for expenditures/expenses for activities to keep the facilities and grounds open, clean, comfortable and in effective working condition and state of repair, and insured. This function is used to record expenditures/expenses for the maintenance and operation of the physical facilities and grounds. This function also includes expenditures/expenses associated with warehousing and receiving services.*This Function is to be used by the Maintenance Department.

Function 52 – Security and Monitoring Services

Function 52 Security and Monitoring Services is used for expenditures/expenses that are for activities to keep student and staff surroundings safe, whether in transit to or from school, on a campus or participating in school-sponsored events at another location.*This Function is to be used by the Police and Emergency Operations Departments.

Function 61- Community Services (Adult/Parenting Classes)

Function 61 is used for expenditures that are for activities or purposes other than regular public education and adult basic educational services. These types of expenditures are used for services or activities relating to the whole community or some segment of the community. Function 61 costs include parenting and parental involvement programs, parental and educational services to adults other than adult basic education, baby-sitting after hours, GED night program, before and after school program and civic activities.

Object Codes -A mandatory four digit code identifying the nature and object of an account, a transaction, or a source.

6200's- Professional and Contracted Services

This includes expenditures for services rendered to the District by firms, individuals, or other organizations which are independent of the Duncanville ISD. Normally professional and contracted services represent a complete service that is rendered for the District, and no attempt should be made to separate labor from supplies.

6219 Professional Consulting Services

This object code is used for expenditures for professional services rendered by personnel who are not on the payroll of the school district (examples Architecture, Optometry, Medicine, Professional engineering). These professionals are required to be licensed or registered with the state.

6229 Tuition and Transfer Payments

This object code is used to clarify expenditures for tuition and transfer payments.

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6249 Contracted Maintenance and Repair

This object code is used for expenditures for normal contracted upkeep, maintenance and repair of items provided by an outside individual or firm. (examples include copiers, maintenance agreement fees, repair of band instruments, etc.)

6291 Consulting Services

This object code is used for expenditures involving improving performance of the District through analysis of existing problems and development of future plans in areas of instruction, curriculum and administration. Consulting may involve analytical techniques, strategy development, operational improvement or coaching strategies.

6299 Miscellaneous Contracted Services

This object code is used for expenditures for services not listed above from individuals/companies used for such things as judging events, PSAT-SAT testing, shredding of materials and fire alarm inspections, etc.

6300's- Supplies and Materials

This includes all expenditures for supplies and materials furnished by the District.

6321 Instructional Materials (formerly Textbooks)

This code is used for expenditures for textbooks purchased by the District and furnished free to students, classes or grades.

6329 Reading materials

This object code is used for expenditures for magazine and newspaper subscriptions, reference, reading material, and library books (not textbooks) that are placed in classes, offices, or libraries whether in print or in electronic format.

6339 Testing materials

This object code is used for expenditures for testing materials (including test booklets). *(usually used by admin personnel)

6399 General Supplies

This object code is used for expenditures for those items of relatively low unit cost (even though used in large quantities) necessary for the instructional process and/or administration. Object code 6399 costs include items such as consumable teaching and office items such as paper, pencils, forms, postage, workbooks, filmstrips, VCR tapes, software, and other supplies for technology.

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6400's- Other Operating Expenses

This includes expenditures for miscellaneous costs necessary for the operation of the District. Examples include travel and subsistence costs, field trips, elections costs, fees and membership dues, bid notices, and newspaper advertisements.

6411 Travel and Subsistence- Employee only

This object code is used for expenditures for the cost of employee only transportation, meals, lodging, and registration fees, associated with traveling to or attending conferences on official business.

6412 Travel/subsistence- Students

This object code is used for expenditures for the cost of transportation (rental of vans, buses and other vehicles other than school buses), meals, participation fees, room, and other expenses associated with students traveling on school sponsored events.

6494 Reclassified Transportation Expenditures/Expenses

This object code is used to identify expenditures for transportation costs other than those incurred for the purpose of transporting students to and from school. (Includes field trips (Function 11) and co-curricular/extracurricular activities (Function 36) using district buses).

6495 Membership Dues

This object code is used to identify expenditures for dues paid to clubs, committees or organizations such as TASSP, TASP, TEPASA, TASBO, TASB, TASA, Lions Club, Rotary Club, local chambers of commerce and other associations. This does NOT include registration fees associated with attending conferences/seminars which are coded to account 6411.

6499 Miscellaneous Operating Costs

This object code is used to classify expenditures for all other operating costs not mentioned above. This includes: fees (not associated with travel expenses), incentives, awards, and graduation expenses, etc.

6600's- Capital Outlay

This includes expenditures for the purpose of land, buildings, furniture and equipment. Generally, the furniture and equipment items are "tagged" and have a useful life of one year or more.

6639 Furniture, Equipment and Software

This object code is used to classify expenditures for all equipment, furniture, technology equipment and capital outlay items having a per-unit cost of \$5000 or more and a useful life of more than one year. *If the per-unit cost is under \$5000, object code 6399 should be used.

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Locally Defined Object Codes:

- 2119 Object Code used for all Students Activity Fund. Ie. 865**
- 6395 Furniture, Equipment, and Software > \$500, but less than \$5,000.**
- 6497 Food for meetings, and school related events.**

Special Description / Information Requisitions

Requisitions for the following categories shall include specific information to clearly describe the required materials or services:

Regular Purchase Order

Regular POs are sent by the Purchasing Department to request goods and services from a vendor. Once the items have arrived at the shipping location, the PO must be received in Skyward before payment is distributed. Send the original invoice to accounts payable but NOT the Originators copy of the PO.

Confirming Purchase Order

Confirming POs are used to request goods and services by phone and fax from a vendor and billed at a later date. This PO will not be mailed to the vendor by the Purchasing Department. You will place the order with the vendor after the requisition has been through all approval steps and is an approved PO. Once the items have arrived at the shipping location, the PO must be Received in Skyward before payment is distributed. Send the original invoice to Business Services but NOT the Originators copy of the PO or the PO Request form.

*OPEN/Blanket Purchase Order

Normally, OPEN/Blanket POs are not used when the quantity and unit price of an item to be purchased is known, or for one time purchases. An OPEN/Blanket PO is issued to an approved vendor authorizing purchases from that vendor until a specific period of time, the end of year PO cutoff or until the funds are dissolved. Each time you use a portion of the OPEN/Blanket PO receive in Skyward the dollar amount that you are receiving and scan and attach the receipt to the PO and send the original receipt with the PO number to Business Services.

OPEN/Blanket PO's are valuable because they allow the purchase of items quickly. Both paperwork and related processing costs usually are reduced by OPEN/Blanket PO's.

OPEN/Blanket PO's must include the following:

- "OPEN/BLANKET PO" must be stated on the requisition
- A total amount "not to exceed" dollar amount. Do not put "not to exceed" statement on regular Purchase Orders. Note: It is imperative that "OPEN/Blanket PO" statement requests be entered as a line item (narrative) and not put in the description.
- A detailed description of the types of items that will be purchased, such as classroom supplies, CSCOE supplies, snacks, printing, etc. Using generic terms such as "supplies, materials, or services" is NOT considered an adequate description.

Note: *Blanket PO's will not be allowed for Technology or Technology supply items.

General Purchasing Procedures

The following purchasing guidelines have been established in order to avoid delays in the processing of requisitions. Failure to follow these guidelines will result in delays to the approval process.

Under no circumstance are requisitions or requisition numbers to be used in place of Purchase Orders. Orders may not be placed until the requisition becomes Purchase Order.

Keep copies of all POs and backup for your files.

Add a narrative to your POs that need to be faxed or emailed to the vendor. Purchasing will automatically fax PO unless stated on requisition – DO NOT FAX. In this cause you will be responsible for faxing.

It is imperative that OPEN/Blanket PO's include (a) specific time frame for purchases to be made (single calendar month) (b) limitation on the maximum dollar amount (ex. not to exceed \$100) and (c) a statement of "OPEN/Blanket PO" be entered as a line item (narrative) and not put in the description of the requisition.

Provide a detailed description of the types of items that will be purchased with Blanket PO's, such as teacher supplies, snacks, printing, etc. Using generic terms such as "supplies, materials for Cinco De Mayo and miscellaneous items bought for Staff events," etc. are not considered adequate descriptions.

When purchasing two or more items on the same requisition (example classroom supplies and snacks) the coding and the amount for each must be separated.

Registration fees that will be associated with travel expenses (meals, rooms, etc.) even if under another Purchase Order should be coded under object code 6411.

Membership Dues paid to organizations (TASSP, TEPSA, TASB, local associations) should be coded under object code 6495.

Food and refreshments (for school-related meetings) should be coded under 6497

Registration fees that are not associated with any travel expenses should be coded under object code 6499. Example: webinar fees. Awards, incentives, should be coded under object code 6499.

Object code 6395 should be used when ordering equipment such as furniture, technology equipment, cameras, lap tops, microscopes, etc. (items that are not consumables and have a useful life of more than one year) and cost more than \$500, but less than \$5,000.

Object code 6639 is designated for expenditures for all equipment, furniture, technology equipment and capital outlay items having a per-unit cost of \$5,000 or more and a useful life of more than one year.

W-9 information must be on file in the Purchasing Department from prospective vendors before requisitions may be submitted. Contact the Purchasing Department for vendor change of address.

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Business Services maintains a WEB page with valuable information including this district forms and manuals. The WEB page may be reached by entering the following: (<http://www.duncanvilleisd.org>)

Be specific when describing your request (requisitions). "Supplies" is not specific enough to know if the requisition should be coded under Function 11 (instruction), 23(principal), 12(library) etc.

1. Example: Instructional manipulatives used in teaching unit on fractions.

Buy America Act

The Federal Government under the Federal Acquisition Regulations (FAR) states that "The grantee (DISD) certifies that it is in compliance with the Buy America Act in that each end product purchased under any federally funded supply (i.e. Title I/Stimulus funds) contract exceeding \$2,500 is considered to have been substantially produced or manufactured in the United States. End products exempt from this requirement are those for which the cost would be unreasonable, products manufactured in the United States that are not of satisfactory quality, or products for which the agency head determines that domestic preference would be inconsistent with the public interest. The grantee also certifies that documentation will be maintained that documents compliance with this requirement. [FAR 25.1-.2]

DISBURSEMENTS

Payments to individuals

Employees performing services associated with the school district (athletic games, tutoring, etc.) must be paid through the payroll system as Supplemental Pay on an Add/Change/Delete or Extra Help Form, not with a purchase order.

Contractor/Vendor performing a service must have an approved Contract/Agreement, present an invoice and be paid with a purchase order. (Ex: professional services, repair, accompanist, etc.)

All vendors must have a W-9 form on file before payment is rendered, required by Section 6041 of the Internal Revenue Code.

Reimbursements

All receipts must be itemized, receipts listing only the total and credit card slips are not acceptable.

A copy of a check is not acceptable documentation for reimbursement.

Mileage will be paid according to State and Federal guidelines and limited to the State rate. Mileage will originate from the employee's duty posted within Duncanville. Ride sharing is expected, if employees choose not to ride share reimbursement will only be made one-way rather than round-trip. A printed MapQuest map documenting the most cost-effective reasonably safe route between duty points must be included with all requests for mileage for locations not included on the district's mileage matrix.

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Reimbursement requests from employees for payment to a contractor for services rendered will be denied. All services must be paid directly to the service provider on a district issued check.

Sales tax will not be reimbursed, except tax on individual meals incurred during the course of travel and included in the employee's per diem. Group meals for students are not taxable.

Expenses for alcoholic beverages are not reimbursable from any funding source of the school district.

Refunds

Refunds (lost textbooks, summer school, field trips...) will be issued on a district issued check with proper documentation: copy of student receipt and copy of deposit control sheet for the deposit including the payment to be refunded.

Professional Memberships

Professional society and association memberships often come in two options, when the option is available the following procedure will apply:

Individual membership – stays with the individual and must be paid by the individual not the district.

Institutional membership – stays with the district and may be paid by the district.

Registrations and Entry Fees

Requests for payment of registration or entry fees for Workshops, Conferences or Seminars must include a copy of the completed registration form, approved Request for Professional Development/Travel (Part A) and any other documentation necessary to substantiate the registration or entry fee amount requested. (In state must be approved by principal/director and out of state must be approved by superintendent.)

A list of participants for which a fee is being requested must accompany all requests.

The inclusion of banquet, tour, or special event fees must be justified as part of the request for payment.

Request should be submitted timely as to avoid the payment of late registration fees by the district.

Cash Advance Requests

Cash advance requests are not permitted.

Gift Cards

Supplies

Gift cards purchased for express purpose of buying supplies or making other “spot” purchases are not allowed. An “OPEN/Blanket PO” to the vendor or vendors is the appropriate procedure.

Flowers

Allowable

Flowers purchased for decorations at an event (Ex: graduation, retirement reception, Baccalaureate)

Flowers purchased by the superintendent or the board

Principals, Directors, Administrators may at his/her discretion use funds from the department/campus/principal’s activity account (865) to purchase flowers in the event of a department/campus employee’s or campus student’s death.

At no time should club activity funds or budgeted monies be used for this purpose. Specific requirements are listed below:

- Must be death of a campus employee or campus student (expenditures for spouses, children, siblings, parents or other relatives or any other purpose shall be paid out of social funds)
- Must be limited to purchases of flowers, plants or other similar expression of sympathy
- Purchase should be limited to \$50

Sunshine Committee/Benevolence/Social Funds

It is the District Administration’s responsibility to see that we protect all staff from potential legal liability regarding the handling of funds.

In the matter of the Sunshine Committee, the collection of monies is done during the campus employee contracted time and the funds are expended as representing your campus; therefore, it must be handled through the activity fund account.

All expenditures for hospitality, condolence, or any other purpose for the sole benefit of the school personnel shall be paid out of social funds. Sunshine Funds, Flower Funds, Hospitality Funds, etc. are defined as social funds generated or contributed solely by school personnel to be utilized and expended at the school’s discretion.

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Meals/Snacks

To qualify as a business meal, the district must substantiate the identity of the participants and the business purpose of the discussion. An employee dining alone cannot have a business meal; multiple participants are required. This restriction creates a recordkeeping burden on the school and will require that a sign in sheet and agenda be submitted to business services within 3 days of the event (non-traveling meals).

Example: A working lunch for participants who are cloistered in an all-day (at least six hours) meeting or training sessions. A working lunch is defined as an activity in which staff or participants are engaged in exercises/activities during the normal meal time as stated on an agenda and in which no other opportunity for a meal is provided. The agenda must be maintained that clearly identifies the exercise or activity that the participants are engaged in and should retain a representative sample of the work product.

Snacks are allowable within reason when they support the educational process of the school. Snacks for test days would be an example of supporting the educational process. General funds may be used for this purpose.

Examples of snacks: granola bars, yogurt, chips, juice, drinks, fruit, etc.

Duncanville does not allow food costs from Grant Funds.

Campuses/Departments are limited to providing 3 meals per fiscal year for staff. Meal cost may not exceed the current year Duncanville ISD per diem amount per employee. Meal cost is meant to be an inclusive term identifying food cost, beverages, paper goods, gratuities, delivery, set up, décor and any other related fee. A snack for employees is allowed only when presented as refreshments served at a faculty meeting, not as an incentive or treat. The limit is \$1 per person, per month.

Apparel

Campuses/Departments are limited to one apparel item per fiscal year. Apparel cost is limited to \$10 per staff employee and is all inclusive of delivery, set up, design, and any other related fee. Departments needing uniforms for identification purposes are limited to two dress type, collared shirts per year, not to exceed \$50 per employee. Auxiliary departments requiring everyday uniforms are exempt from this requirement. Exceptions to this procedure may be granted in writing by the Superintendent.

Field Trip Transportation

If a limo or bus is used to transport students, other than the District school buses, the campus/organization must request that the owner provide the District with a Certificate of Insurance naming the District as an additional insured. This form must be sent to business services to be attached to the vendor record. A new Certificate of Insurance must be provided when the insurance expires. If the company is not willing to make the District an additional insured, then the campus/organization cannot use that company to transport students.

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The following ADMINISTRATIVE ACTION may be applied for failure to comply with District Financial Policies and Procedures:

1. Modification of campus/department approval process.
2. Reflection in employee's appraisal.
3. Employee's purchasing rights are revoked.
4. Administrative disciplinary actions for violating Duncanville Board Policy CH (LEGAL & LOCAL), procedures, and guidelines related to financial procedures.
5. Termination.

Glossary of Terms

Requisition - an electronic request created by the Skyward system for allowable expenditures.

Purchase Order (PO) -the signed written acceptance of the requested requisition. A PO serves as the legal and binding contract between the District and vendor.

OPEN/Blanket Purchase Order (PO) – refers to a PO that is issued to cover a certain period of time (month, semester, year, etc.).

Open Purchase Order (PO) – refers to a PO, in which item or items that have been partially received and paid or that is completed, but not officially closed.

Quote – a specific determination of the cost, timing, description and terms associated with a projected good or service to be provided by a supplier to the campus/department.

Invoice - a commercial document issued by a seller to the campus/department, indicating the products, quantities, and agreed prices for products or services the seller has provided the buyer.

Packing/Shipping slip - is a document that accompanies delivered packages, usually inside an attached shipping pouch or inside the package itself. It commonly includes an itemized detail of the package contents and does not include customer pricing. It serves to inform all parties, including transport agencies, government authorities, and customers, about the contents of the package.

Employee vs. Independent Contractor

Common Law Rules

Facts that provide evidence of the degree of control and independence fall into three categories:

1. Behavioral: Does the company control or have the right to control what the worker does and how the worker does his or her job?
2. Financial: Are the business aspects of the worker's job controlled by the payer? (These include things like how worker is paid, whether expenses are reimbursed, who provides tools/supplies, etc.)
3. Type of Relationship: Are there written contracts or employee type benefits (i.e. pension plan, insurance, vacation pay, etc.)? Will the relationship continue and is the work performed a key aspect of the business?

Businesses must weigh all these factors when determining whether a worker is an employee or independent contractor. Some factors may indicate that the worker is an employee, while other factors indicate that the worker is an independent contractor. There is no "magic" or set number of factors that "makes" the worker an employee or an independent contractor, and no one factor stands alone in making this determination. Also, factors which are relevant in one situation may not be relevant in another.

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The keys are to look at the entire relationship, consider the degree or extent of the right to direct and control, and finally, to document each of the factors used in coming up with the determination.

Independent Contractor

The general rule is that an individual is an independent contractor if you, the person for whom the services are performed, have the right to control or direct only the result of the work and not the means and methods of accomplishing the result. The IRS 20-factor, right-to-control test is used to assess an employer's classification of whether a person is an employee or independent contractor, in addition to considering the degree of control the employer exercises, it takes into account the degree to which the workers are economically dependent on the business.

Employee (Common-Law Employee)

Under common-law rules, anyone who performs services for you is your employee if you can control what will be done and how it will be done. This is so even when you give the employee freedom of action. What matters is that you have the right to control the details of how the services are performed.