



BUSINESS OFFICE PROCEDURES

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I. Procurement Summary

Expenditures: Procurement procedures vary depending on the total costs of the item(s) and/or service(s) requested. Thresholds are outlined in the Uniform System of Financial Records (USFR), which illustrates the necessary procedures to follow in relation to the total costs. The District's thresholds either meet or exceed USFR requirements.

For item(s)/service(s) costing at least \$10,000 but less than \$50,000, at least three oral quotes must be obtained. Three written quotes should be obtained for purchases costing at least \$50,000 but not more than \$100,000. For any costs to be incurred that are \$100,000 or more, employees are to follow competitive sealed bid procedures. Homogeneous items must be considered when determining the applicable threshold level. For item(s) and/or service(s) that are the same, costs must be combined to generate a total amount. Alike items cannot be purchased from multiple vendors in order to prevent the total costs from a single vendor from exceeding a threshold amount to avoid the District's procurement policies.

If a vendor's total cost exceeds \$100,000, an Invitation for Bid must be requested when the vendor selection criteria will be based on the lowest costs for the item(s) requested; whereas, Request for Proposals must be requested for services where other factors besides costs are considered. The District must ensure that it is obtaining the most advantageous service(s)/item(s) based on the criteria outlined in the Invitation for Bid or Request for Proposal. Purchases made through a purchasing consortium must be presented to the Governing Board for approval.

Sole Sources: As stated in Arizona Administrative Code R7-2-1053, a contract may be awarded for a material, service or construction item without competition if the Governing Board determines in writing that there is only one source for the required material, service or construction item. A sole source vendor is a vendor that is willing to provide service(s) and/or items(s) to the District when no other vendor could. The District's policy does not allow for sole source procurements except in rare cases where sole sources cannot be avoided.

Emergency Procurement: As stated in the Arizona Administrative Code R7-2-1056, an emergency condition creates an immediate and serious need for materials, services or construction that cannot be met through normal procurement methods and seriously threatens the functioning of the District, the preservation or protection of property or the public health, welfare or safety.

After-the-Fact Purchase Orders: After-the-fact purchase orders occur when purchases are made without the proper approvals and purchase orders are created after the invoice has been received for those service(s) and/or item(s). Generally speaking, the District regards these purchases as a personal expense of the person making the unauthorized purchase.

II. Expenditures

A. Less than \$10,000

<u>Performed By</u>	<u>Procedure</u>
Supervisor	<ol style="list-style-type: none"> 1) Receives purchase requests from staff. 2) Approves or denies. If denies, informs requestor. 3) Once approved, submits to School/Department Secretary.
School/Department Secretary	<ol style="list-style-type: none"> 4) Creates purchase requisition through Visions. Requisition is sent to the Purchasing Technician electronically through Visions.
Purchasing Technician	<ol style="list-style-type: none"> 5) Receives approved purchase requisition electronically through Visions. 6) Ensures requested purchase is appropriate, requisition has the correct account code(s), and budget capacity is available for the requested item. If the purchase requisition is not deemed valid, returns to the Supervisor to correct, if necessary. Comments may be added onto the purchase requisition to document why the purchase requisition is being returned. 7) If the purchase requisition is validated, converts the approved purchase requisition into a purchase order within Visions.
Purchasing Technician	<ol style="list-style-type: none"> 8) Prints File, Vendor, Receiving and Entity (2) copies and sends to the following: <ul style="list-style-type: none"> • Purchasing Department (retains File copy for records) • Vendor (receives Vendor copy) • Accounts Payable Department (receives one Entity copy) • Requestor (receives Receiving copy to verify receipt of items and/or services) • School/Department Secretary (receives one Entity copy to file for records)
Requestor	<ol style="list-style-type: none"> 9) Signs and sends the Receiving copy to the Accounts Payable Department when items and/or services are received.

B. At least \$10,000 but less than \$50,000

<u>Performed By</u>	<u>Procedure</u>
Supervisor	1) Receives purchase requests from staff. 2) Approves or denies. If denies, informs requestor. 3) If approved, determines whether the item can be purchased from a state contracted vendor or from a consortium. If so, follow procedures in Section III, <i>State Contract or Consortium</i> . If not, continue with procedures as follows.
Requestor	4) Completes the Oral Quotes for Material/Services Form (Appendix A).
Requestor	5) Contacts three vendors to obtain quotes for item(s)/service(s) requested. Documents quotes received on the Oral Quotes for Material/Services Form . 6) Returns Oral Quotes for Material/Services Form to Supervisor for review
Supervisor	7) Selects lowest priced vendor and returns information to the School/Department Secretary (documents reason if the lowest priced vendor was not selected).
School/Department Secretary	8) Creates purchase requisition through Visions. Requisition is sent to the Purchasing Technician electronically through Visions. 9) Sends the Oral Quotes for Material/Services Form to the Purchasing Technician, along with a hard copy of the purchase requisition, through interoffice mail.
Purchasing Technician	10) Receives approved purchase requisition electronically through Visions along with the Oral Quotes for Material/Services Form and hard copy of the purchase requisition through interoffice mail.

Performed By

Purchasing Technician

Procedure

- 11) Ensures requested purchase is appropriate, requisition has the correct account code(s), budget capacity is available and the most reasonable selection of vendor based on quotes was obtained. If the purchase requisition is not deemed valid, return to Requestor to correct, if necessary, and repeat procedures 1 through 10 or deny and return to the Requestor's Supervisor. Comments may be added onto the purchase requisition to document why the purchase requisition is being returned.
- 12) If approved, converts purchase requisition into a purchase order within Visions.
- 13) Prints File, Vendor, Receiving and Entity (2) copies and sends to the following:
 - Purchasing Department (retains File copy for records)
 - Vendor (receives Vendor copy)
 - Accounts Payable Department (receives one Entity copy)
 - Requestor (receives Receiving copy to verify receipt of items and/or services)
 - School/Department Secretary (receives one Entity copy to file for records)
- 14) Signs and sends the Receiving copy to the Accounts Payable Department when items and/or services are received.

Requestor

C. At least \$50,000 but less than \$100,000

<u>Performed By</u>	<u>Procedure</u>
Supervisor	1) Receives purchase requests from staff. 2) Approves or denies. If denies, informs requestor. 3) If approved, determines whether the item can be purchased from a state contracted vendor or from a consortium. If so, follow procedures in Section III, <i>State Contract or Consortium</i> . If not, continue with procedures as follows. 4) If approved, informs Requestor to obtain three written quotes.
Requestor	5) Contacts three vendors to obtain written quotes from vendors, typed or on their company's letterhead for item(s)/service(s). 6) Gives written quotes to Supervisor for review.
Supervisor	7) Selects vendor and submits information to the School/Department Secretary (documents reason if the lowest priced vendor was not selected).
School/Department Secretary	8) Creates purchase requisition through Visions. Requisition is sent to the Purchasing Technician electronically through Visions. 9) Sends the written quotes, along with a hard copy of the purchase requisition through interoffice mail to the Purchasing Technician.
Purchasing Technician	10) Receives approved purchase requisition electronically through Visions along with the written quotes and hard copy of the purchase requisition through interoffice mail. 11) Ensures requested purchase is appropriate, requisition has the correct account code(s), budget capacity is available and the most reasonable selection of vendor based on quotes was obtained. If the purchase requisition is not deemed valid, return to Requestor to correct, if necessary, and repeat procedures 1 through 10 or deny and return to the Requestor's Supervisor. Comments may be added onto the purchase requisition to document why the purchase requisition is being returned.

Performed By

Procedure

- | | |
|-----------|--|
| Requestor | <ol style="list-style-type: none"> 12) If approved, converts the purchase requisition into a purchase order within Visions. 13) Prints File, Vendor, Receiving and Entity (2) copies and sends to the following: <ul style="list-style-type: none"> • Purchasing Department (retains File copy for records) • Vendor (receives Vendor copy) • Accounts Payable Department (receives one Entity copy) • Requestor (receives Receiving copy to verify receipt of items and/or services) <p>School/Department Secretary (receives one Entity copy to file for records)</p> 14) Signs and sends the Receiving copy to the Accounts Payable Department when items and/or services are received. |
|-----------|--|

D. Greater than or equal to \$100,000

Performed By

Procedure

- | | |
|-----------------------|---|
| Supervisor | <ol style="list-style-type: none"> 1) Receives purchase requests from staff. 2) Approves or denies. If denies, informs Requestor. 3) If approved, notifies the Director of Business. |
| Director of Business | <ol style="list-style-type: none"> 4) Determines purchase requests received supervisory approval and are appropriate. 5) If approved, notifies Purchasing Technician. If denied, notifies Supervisor. |
| Purchasing Technician | <ol style="list-style-type: none"> 6) Receives approved request from Director of Business. 7) Determines if the requested items(s)/service(s) can be purchased using a vendor with a state contract or one who is part of a purchasing consortium and performs Section III, <i>State Contract or Consortium</i> procedures. 8) If not on state contract or consortium, performs Section V, <i>Request for Proposal</i> or Section IV, <i>Invitation for Bids</i> procedures. |

Oral Quotes for Material/Services

Submit this form with your requisition for all vendors not on state contract or another purchasing consortium with expenses encumbered for purchase costing at least \$5,000 but less than \$15,000.

Cost is not always the determining factor. The vendor can be chosen if the overall needs can only be met by that particular vendor (time needed, matching existing items, etc.) This must be documented.

Date: _____ Date Material/Services Needed: _____

Completed by: _____ Supervisor: _____

Purchasing Technician: _____

Material Services Needed: _____

Quote 1:

Date of Call	
Vendor	
Vendor Phone Number	
Vendor Representative (Person giving quotes)	
Description	
Part Number	
Unit Price	
Freight Charge	
Sale Tax	
Total Cost	

Quote 2:

Date of Call	
Vendor	
Vendor Phone Number	
Vendor Representative (Person giving quotes)	
Description	
Part Number	
Unit Price	
Freight Charge	
Sale Tax	
Total Cost	

Quote 3:

Date of Call	
Vendor	
Vendor Phone Number	
Vendor Representative (Person giving quotes)	
Description	
Part Number	
Unit Price	
Freight Charge	
Sale Tax	
Total Cost	

III. After-the-Fact Purchase Orders

<u>Performed By</u>	<u>Procedure</u>
Accounts Payable Department	1) When receives invoice for purchases requiring a purchase order and notes that there is not one on file for the vendor pertaining to the invoice, notifies the Purchasing Technician.
Purchasing Technician	2) Contacts District employee who incurred the charge and requests completion of the After-the-Fact Purchase Orders Form (Appendix E).
Employee	3) Completes the After-the-Fact Purchase Orders Form and submits to Supervisor for review.
Supervisor	4) Reviews and approves or denies the After-the-Fact Purchase Orders Form . If denied, notifies employee of their responsibility to pay for the items and/or services rendered.
	5) Submits the After-the-Fact Purchase Orders Form to the Purchasing Technician.
<u>Performed By</u>	<u>Procedure</u>
Purchasing Technician	6) Receives completed After-the-Fact Purchase Orders Form .
	7) If the After-the-Fact Purchase Orders Form was approved by Supervisor discusses with the Director of Business to determine if purchase is a valid District expense. If so, skip to Procedure 9.
Purchasing Technician	8) If denied, informs employee and employee's Supervisor of determination made and of the employee's responsibility to pay for the items and/or services rendered.
	9) Maintains a copy of the invoice and files along with the After-the-Fact Purchase Orders Form .
	10) Creates purchase requisition and converts to a purchase order within Visions.
	11) Prints File and Entity (2) copies and sends to the following: <ul style="list-style-type: none"> • Purchasing Department (retains File copy for records) • Accounts Payable Department (receives one Entity copy) School/Department Secretary (receives one Entity copy to file for records)

After-the-Fact Purchase Order Form

After-The-Fact Purchases

Trying to commit the school district to a purchase of material and/or services of any kind before a purchase order is issued creates an after-the fact purchase. After-the-fact purchase are violations of the rules that apply to school district procurement.

Generally speaking, the District regards these purchases the personal responsibility of the person making the unauthorized purchase. If you feel there is a valid reason the District should cover this unauthorized expense, fill out this request and submit to the Business Office for consideration.

Thus documentation must accompany the request for the district to pay for material/services received, and will be kept for future audit reference.

Please describe why/how this purchase happened:

Has this happened at this location before? _____

When? _____

What is being done to prevent this from happening again?

Please sign, date, and return to Purchasing within **5 days**, to be field with original paperwork.

Signature of person making the purchase: _____ Date: _____

Supervisor Signature: _____ Date: _____

FOR DISTRICT USE:	_____ Approved	_____ Denied
Purchase Order Issued:	_____ No	_____ Yes
	If yes, PO# _____	
Sign: _____	Date: _____	
<i>Purchasing Official</i>		

Vendor Selection Rationale: _____

IV. After-the-Fact Purchase Orders

PROCUREMENT VIOLATION

The Uniform System of Financial Records (USFR) requires that all procurement be pre-approved. In the event that a purchase is made without proper pre-approval, the following procedure will be followed.

- a) Any in the Business office aware of a procurement violation occurrence is to inform the Buyer and the Accounts Payable Specialist in writing.
- b) The Accounting Payable Specialist will complete the attached Procurement Violation Notification form and send it to the staff member who cause the violation.
- c) Once the notice is signed, it is returned to the Accounts Payable Specialist in Business Department.
- d) A copy of the completed form will be kept in a binder in the Business Department office.
- e) A copy of the signed violation will also be attached to the expense check copy and back-up in the A/P file.
- f) If the same staff member has 2nd and 3rd violation occurrences:
 - 1) Acknowledgement signatures from their supervisor and department head are required as seen on the Violation Notice.
 - 2) A routine follow-up on all unsigned Procurement Violation Notices will be performed by the A/P Specialist.
 - 3) Repeat infractions by the same employee can result in denial of reimbursement / payment for items purchased.

Memorandum

TO: _____

FROM: _____

DATE: _____

SUBJECT: Procurement Violation Notification

Attached is a Procurement Violation Notice for an employee that you supervise. These notices are designed to uphold accountability so that employees responsible for use of district funds do not violate USFR Procurement requirements.

As you are aware, activities in the Business Department office are highly audited by the State of Arizona. This document will become part of the expense record related to the violation. It will serve to show that we are aware of the violation and have made appropriate steps to correct the problem.

Please have the employee fill out the form as indicated. Both the employee and you need to sign and return the form to the Business Department office. Repeat infractions by the same employee can result in denial of authorization to conduct similar purchases.

Thank you for your assistance in avoiding future violations.

NOTICE OF PROCUREMENT VIOLATION

This notice is to alert you to a violation of procurement rules.

_____ 1st Violation - Requires signature of person who violated the procurement rule.

_____ 2nd Violation - Requires signature of person violating procurement rule and his or her Supervisor.

_____ 3rd Violation - Requires signature of person who violated procurement rules, their supervisor and their department head.

DATE:	INDIVIDUAL:
PURCHASE ORDER:	VENDOR:
FUNDS: District _____ OR Student Activity _____	
The following is a violation of procurement policies and procedure:	
List explanation for violation of procurement policy/procedure:	
What is your proposed corrective action?	
SIGNATURE:	
SUPERVISOR SIGNATURE: required or N/A (circle one)	
DEPARTMENT HEAD SIGNATURE: required or N/A (circle one)	

PLEASE COMPLETE FORM AND RETURN TO THE BUSINESS RESOURCE OFFICE: ATTN: A/P

A/P PROCEDURES

A/P for SCHOOL ORDERS

1. Order/Requisition is placed with Purchasing **PRIOR** to placing any order
2. Purchasing issues a Purchase Order
3. Order is received by School/Office
4. Order is checked against Purchase Order and Packing Slip
5. Packing Slip and PO Receiving Copy are Signed and Dated with your OK to Pay
NOTE: OK, Signature, and Date is approval for payment on the Purchase Order
6. Be sure Purchase Order Number is on the packing slip
7. Send signed-off packing slip and PO receiving copy to the District Office to be matched to the invoice for payment

A/P for INDIVIDUAL REIMBURSEMENT (INCLUDING ONLINE ORDERS)

1. **PRIOR** to placing any individual order for reimbursement a Purchase Order in the individuals name must be in place - **NO** reimbursement will be made if any purchase is made prior to the Purchase Order being issued
2. Purchasing issues the Purchase Order in individuals name
3. Order is received by Individual
NOTE: - All orders (*including online orders*) must be received at the school address
4. Order is checked against the Invoice and Packing Slip
5. Packing Slip and PO Receiving Copy are Signed and Dated with your OK to Pay
NOTE: OK, Signature, and Date is approval for payment on the Purchase Order
6. Please write Purchase Order Number on the Invoice and Packing Slip
7. Send signed-off packing slip and PO receiving copy to the District Office for payment
8. Invoice must show that order has been received, paid, and that there is no balance due in order to be reimbursed
NOTE: An Order Confirmation is ***NOT*** an Invoice
NOTE: Packing slips required on all orders

A/P for TRAVEL REIMBURSEMENT

1. Requisition is placed with Purchasing **PRIOR** to any and all travel (including mileage reimbursement)
2. Purchasing issues the Purchase Order in individuals name
3. Individual Travels, retains receipts, etc. for reimbursement
4. Individual completes the Travel Expense Form to be reimbursed for travel (Travel Reimbursement form is available under Business Services on line)
5. Travel Expense Form is signed both by the employee and supervisor for the travel
6. Individual attaches all receipts to Travel Expense Form and sends to the District Office
7. PO Number must be on the Travel Expense Form
8. Mileage Reimbursement can be paid by the mile **OR** gas receipts (not both)

I. USFR Guidelines Require the Following Supporting Documentation for all Expenditures:

Purchase requisition, purchase order, invoice, packing slip, receiving report and transaction receipt with the purchaser's signature and date as applicable. If original receipts are not available due to being lost or illegible, the purchaser is responsible to request a copy from the vendor or complete an affidavit detailing the purchase date, vendor, cost, tax and other charges, also include the reason the receipt is not available.

Business Office requires the following procedure to be followed by those submitting receiving documentation and transaction receipts relating to approved expenditures.

Goods received at the school sites are identified, inspected, counted and documented on the receiving copy of the purchase order. The receiving copy of the purchase order then becomes a receiving report. Packing slips are attached to the report and the report must be signed and dated by the individual who performed the receiving process. Original receiving reports are to be forwarded to Business Office on a routine basis through-out the week.

Documentation of receipt for purchased services, seminars, dues, field trips, subscriptions and such items will be confirmed by a signature and date representing authorization to pay on the corresponding invoice. The signature should be that of the employee who is responsible for procuring the service or managing the project.

Store receipts and credit card purchase receipts:

All original purchase receipts are to be signed and dated by the responsible person and turned into Business Office within two business days of the purchase date or the return of travel. In the event lost or legible original receipts cannot be produced, the above procedures should be followed. When credit cards are used for online prepayment of goods or services; a signed and dated print out of the purchase confirmation should be submitted to Business Office within two business days of the purchase date. The purchase confirmation must include a description of the items/service purchased, cost, shipping and tax expenses and reference the last digits of the credit card number.

Any staff member who does not comply with this procedure may receive the attached notices.

Memorandum

TO: _____

FROM: _____

CC: _____

DATE: _____

SUBJECT: Expenditure Violation Notice

Attached is an Expenditure Violation Notice for an employee that you supervise. These notices are designed to uphold accountability so that employees responsible for use of district funds do not violate Uniform System of Financial Records (U.S.F.R.) expenditure requirements.

As you are aware, activities in the Finance Department are **audited by the State of Arizona**. This document will become part of the expense record related to the violation. It will serve to show that we are aware of the violation and have made appropriate steps to correct the problem.

Please have the employee complete the form as indicated. The employee and direct supervisor need to sign and return the form to Business Department.

Repeat infractions by the same employee can result in denial of authorization to conduct similar purchases and/or disciplinary action.

Thank you for your assistance in avoiding future violations.

II. CREDIT CARD PROCEDURES

All credit card users must read, understand, and sign the district governing board Credit Card Holder Agreement before using the district credit card(s). These procedures explain the process of district credit card use for approved purchases. It also identifies steps required to initiate a requisition, obtain the credit card and return the card along with purchase receipts. By following these procedures set forth in this handbook; personal accountability, credit card tracking, and permissible purchasing are insured.

Reference:

Governing Board Policy, DGD and DGD-R and A.R.S. 15-342
Expenditure Violation Procedure, Business Department

Procedures

Part I: How to Enter a Purchase Requisition

1. All purchases using the Desert School Federal Credit card must have an approved PO that identifies the specific vendor with whom the purchase will be made; make the requisition out to Cardmember Service but identify the actual vendor in the description. If the purchase is using the Home Depot, Office Depot, Office Max, or Fry's credit card make the requisition to those specific vendors.
2. Be specific about the type of purchase and attach supporting documents. District Buyer will process requisition according to procurement guidelines.
3. Once the requisition becomes a PO, Buyer will issue a vendor copy to the originator.
4. The person responsible/utilizing the credit card will need to present Business Resources/Superintendent Office with the hard-copy of the purchase order to check out the credit card.

Part II: How to Check-Out the Desert School Federal Credit Card/Other Credit Card

1. The credit card will not be checked out longer than two (2) business days prior to travel/purchases.
2. The Administrative Assistant to the Superintendent at the district office is the "issuer" of the Desert School Federal Credit Card. The Business Department is the "issuer" of other credit cards.
 - a. *For the purpose of this procedure the person handling the card checkout will be referred to as the "issuer". The person checking out the card will be referred to as the "user".*

3. Prior to any credit card check-out, the issuer will verify that the user has read Governing Board Policy DGD and DGD-R, and that they have signed the Card Holder Agreement.
 - a. These agreements must be reviewed and signed each time the card is check out.
4. The issuer will request a hard-copy of the purchase order.
 - a. The issuer reviews the details of the PO to verify that the stated card usage adheres to the policy.
5. The user then enters the required information on the check in/check out log, signs and dates the entry.

Part III: How to Return the Credit Card

1. The credit card must be returned to Superintendent Office/Business Office within two (2) business days of completing the travel/purchase.
 - a. *Please note: All receipts are due at the time of returning the credit card.*
2. The user and the issuer must document the return in the check-out/check-in log. The issuer will initial the return witness box.
3. If receipts are not submitted along with the credit card at the time of returning, the credit card will not be logged in as “returned”.
 - a. Superintendent Office/Business Office will accept the credit card and secure it in the safe. However the status will remain “checked-out” until all related receipts are submitted. The liability of the credit card remains with the user until receipts are submitted.
4. Anyone not adhering to the terms of the credit card regulation will be held accountable.

Hours of Check-Out & Return: 7:30 a.m. – 4:30 p.m.

I. DEFINITION OF STUDENT ACTIVITIES

DEFINITION

What are Student Activities?

Student activities are defined in Arizona Revised Statutes (A.R.S.) §15-1121 as student clubs, organizations, school plays, or other student entertainment (hereafter referred to as clubs). Student activities monies are raised by the efforts of students with the approval of the governing board. These monies must be accounted for in an Agency Fund, titled Student Activities which is separate and distinct from district operating funds.

What policies and laws apply to Student Activities?

Balsz Elementary School District Policy –JF Student Activities Funds

Upon recommendation by the superintendent, the Board will designate a Student Activity Treasurer. The superintendent shall assure the establishment and maintenance of a “Student Activity Fund” as defined in A.R.S. 15-1121 through A.R.S. 15-1124.

Balsz Elementary School District Policy-JE Student Fund –Raising Activities

Fund-raising activities by students on school premises or elsewhere as representatives of the school will be permitted only for the types of fund-raising activities approved by the Governing Board and when connected with specific school activities approved by the Superintendent. The participation of contests or fund-raising activities shall be governed by the following criteria:

- The aim of the activity shall benefit youth in educational, civic, social and ethical development.
- The activity shall not be detrimental to the regularly planned instruction.

The proceeds of all fund-raising activities shall be deposited in the student activities fund and the funds from such activities shall be used only as specified in the Uniform System of Financial Records.

Arizona Revised Statutes (A.R.S.) 15-1121

All monies raised with the approval of the governing board of a school district by the efforts of the students in pursuance of or in connection with all activities of student organizations, clubs, school plays or other student entertainment other than funds specified in sections 15-1125 and 15-1126 are student activities monies.

Student Club Sponsor Agreement

In order for the student club to be eligible to participate in fundraising activities and expend funds, the student club sponsor must be trained on the policies and procedures. A copy of the Student Club Sponsor Agreement must be signed by both the club sponsor and the school principal. A copy of this form must be sent to the business department at the district office.

Student Club Sponsor Agreement

Student officers must sign the appropriate form prior to any expenditure. A copy of this form must be sent to the business department before any expenditure will be authorized.

Student Club Meeting Minutes

Student Club meeting minutes must be kept to document all fundraisers and expenditures and signed by the Club Treasure and Club Sponsor. A signed copy of the meeting minutes must be attached to all purchase requisitions and all bank deposits. The signatures must match those of the Student Officer Signature Sheet. If the Student Officers change during the school year, updated and forward copy to the business department. The meeting minutes should include detail about and amount of approved expenditures with a breakdown of purchases to be made.

II. ORGANIZATIONAL PROCEDURES

ORGANIZATIONAL PROCEDURES

1. Requirements for organizing a student club:
 - a. *Club must submit a constitution (**Form B**) identifying the purpose of the club to Student Council and Site Administrator.*
 - b. *Club must have at least one adult sponsor who is a certified employee of the BESD and must be approved by Student Council and the Site Administrator/Governing Board. In order for the student club to be eligible to participate in fundraising activities and expend funds, the student club sponsor must be trained on the policies and procedures. A copy of the Student Club Sponsor Agreement must be signed both by the club sponsor and the school principal. A copy of this form must be sent to business department before any expenditure will be permitted. See Club Sponsor Agreement in the Appendix (**Form A**)*
 - c. *Each year, the selected Club Sponsor must sign a new Club Sponsor Agreement (**Form A**). Please submit copies of the contract to your Student Officer, Student Council, School Student Treasure and the District.*
 - d. *Club must elect officers and submit a Constitution Form (**Form B**) with member names to the Student Council, Activities Director and Business Accountant. If the student officers change during the year, forward an updated copy of the form to all parties. See Student Activities Constitution Form in Appendix (**Form B**)*

2. The Student Council and each student club should follow these procedures for meetings:
 - a. *The meeting is called to order and a club officer must take minutes. The Club Sponsor must be present for all meetings.*
 - b. Minutes (**Form C**) must include -- but not limited to -- the following:
 - I. Date and time of meeting.
 - II. Members present
 - III. Detailed description of meeting agenda items.
 - IV. Approved motions/activities to include purpose of activity, vote count, vendor(s) name(s) (if available), and maximum amount authorized for expenditure to include tax and shipping/freight charges.
 - V. Sign-in sheet (**Form D**).
 - c. *Minutes are filed by the Club Sponsor and must be retained for a minimum of three years for audit purposes.*
 - d. *Signed student minutes must be attached to all purchase requisitions. The student signatures must match those on the Student Activity Club Officer List Form.*

3. Conflict of interest policies, as stated in BESD policy GBEEA and A.R.S. §38-503 apply to all student activity transactions. A.R.S. §38-503 prohibits school employees from participating in any manner in a contract, sale or purchase where the employee or a relative has a substantial interest in the contract sale or purchase.

4. **Misuse or mishandling of any student activities funds is grounds for disciplinary action.**

III. FUNDRAISING PROCEDURES

FUNDRAISING PROCEDURES

1. All fundraisers (food/merchandise) must have prior approval from the Student Council Governing Board and Site Administrator. The completed Student Club Fundraising/Activity Form (**Form E**) must be approved prior to the start of any fundraising activity. Each Site Administrator has the ability to place restrictions on club activities.
2. Arizona Nutritional Standards will apply to all foods and beverages sold during a normal school day. A normal school day is defined as beginning with the start of the first breakfast period and ending with the last bell of the instruction period. Please contact the Food Service Director at (602) 629-6440 for more information.
3. Facility Requests must be submitted to The Operations Department when planning to utilize any BESD facility. Please contact the Administrative Assistant for the Operations Department at (602) 629-6484 for more information.
4. Student Activities monies are derived from a variety of sources: dues, concessions, interest, ticket sales, publications, yearbooks, class/student pictures, and other fundraising events approved by the Student Council and Site Administrator. All monies raised by the students must be deposited into the BESD student club account. Contact your school office principal for assistance.
5. A student club may **NOT** hold a raffle, drawing, lottery or similar event. (Arizona Attorney General Opinion 184-018.)
6. A student club may participate in a joint fundraising project with a Parent Support Group (PTA, PTSO, PTSA, PTO, and Booster) such as a parent-teacher organization if the Student Council and Site Administrator have approved the project. The fundraising form should identify upfront how proceeds will be allocated proportionately between the two organizations based on the level of effort devoted by each group to the project.
Example: PTA Club runs a concession stand at an athletic event with the help of Student Council. If the concession stand is manned 50% by students and 50% by parents, the proceeds should be divided 50/50.
7. Students are prohibited from selling items house to house.
8. Proceeds from sale of inventory (candles, t-shirts, etc.) should be compared to items sold to estimate actual proceeds. Use the following method to track the inventory:

<i>Step 1</i>	<i>Amount purchased from vendor (Less) Amount left on hand (Equals) Amount sold</i>
<i>Step 2</i>	<i>Amount purchased – (Amount sold x selling price) = Estimated proceeds</i>
9. Any unsold inventory after fundraising sales should be accounted for and properly safeguarded. Club members and sponsor will be responsible for the accountability of all items received for fundraising. See Student Activities Tally Log (**Form G**)
10. It is the practice of the District to restrict the sale of competitive food items, including candy, on its campuses, and to encourage students to utilize the school breakfast and lunch programs. The following guidelines shall apply for the sale of food items:
 - *The decision concerning the sale of candy and other food items; i.e. cookies, brownies, etc., shall be left to the discretion of the Principal at each individual campus.*
 - *However, if food sales are allowed, no competitive food items shall be sold during the breakfast and lunch hours.*
 - *Food sold should be commercially regulated or its preparation properly supervised. If food is to be prepared at home it must be prepared by an individual with a Food Handlers Permit. The permit holder MUST file a copy with the appropriate school and the District Office.*
 - *Food that is prepared at home or at site is to be sold by a permit holder and permit must be posted in a noticeable*

area in the concession stand.

IV. RECEIPT PROCEDURES

RECEIPT PROCEDURES

1. All monies must be physically safeguarded. **NEVER leave funds in your desk or unlocked file cabinet.** In no case shall money ever be left overnight in school buildings except in a safe provided for the safekeeping of valuables. Contact your district for assistance.
2. Segregation of duties between cash handling and recordkeeping should be maintained. The Club Treasurer and one other member should share this task.
3. All funds must be deposited on a timely basis. Deposits must be processed intact weekly, and preferably daily. Contact district for assistance.
4. Private bank accounts are not authorized for use by any student club.
5. Individual clubs must maintain and reconcile their own club's financial accounting:
 - a. for current cash balances
 - b. for reconciliation with BESD records
 - c. for audit purposes
6. Each school maintains a Student Activities Ticket Log (**Form H**) for all tickets issued to clubs. Beginning and ending ticket numbers, dates, and total number of tickets issued must be documented on the log. After the event has taken place, the club sponsor, or designee, shall reconcile the cash to the ticket sales. Contact your district for assistance.
7. Donations can be accepted by clubs, and deposited into the club's account. The club should acknowledge this donation in their club minutes. An Acceptance Request form located on the Intranet webpage under Business Resources/Gift & Donations must be completed and returned to your District Student Activities Treasurer. This donation form will be submitted to the Governing Board for acknowledgement.

SPECIFIC RECEIPT PROCEDURES

1. Issue receipts to include purpose, date, customer, and amount (fee/sale price). The receipts must be signed by the Club Sponsor:
 - a. A pre-numbered receipt is required for items sold with significant value. Some significant value items are t-shirts, sweatshirts, yearbooks, calculators, camp fees, candles, etc. Please issue a pre-numbered receipt for these types of fundraiser items. Contact your school administrative assistant for a pre-numbered receipt book.
 - b. If a refund is ever requested, a copy of this pre-numbered receipt along with a Student Activities Requisition form, club meeting minutes recording approval of refund, and sign-in sheet will be required to process this refund.
 - c. For nominal valued items which would include popcorn, boo-grams, etc., please maintain a tally log (**Form G**).
2. The Club Sponsor and the Club Treasurer should work together to prepare the Cash Collection Report (**Form F**).
 - a. If tickets were involved, be sure to include the beginning and ending ticket numbers to calculate the number of tickets sold.
 - b. The Cash Collection Report requires two signatures; Club member and the Club Sponsor.
 - c. Two calculator tapes including all funds should be attached with the deposit back up.
3. The Cash Collection Report plus the calculator tapes and any additional back up should be kept for auditing purposes.
 - a. You need to verify the funds, endorse and make copies of the checks, prepare the deposit and sign the Cash Collection forms.
 - b. Once funds are deposited keep a copy of all documentation in the Student Activities Treasurer files for auditing purposes.
 - c. A copy of the documents will be issued to the Club Sponsor and a copy will be maintained by the School Student

Activities Treasurer for record retention and auditing purposes.

V. Expenditures

EXPENDITURE PROCEDURES

1. Monies raised by students to benefit those students is a simple way to describe Student Activities. Money should be expended in a manner beneficial to those students currently in school. Students must actively participate in the management of funds.
2. Student activities monies must not be used to defray any BESD expense.
⇒ *Example: When the Media Club produces videos, they utilize cameras and video equipment. It would be a benefit to the club to purchase media production equipment. If the French Club wanted to purchase media equipment, this purchase would be questioned on how this applies to their constitution.*
3. Cash must be available in the club account before a purchase is made.
⇒ *Example: The Band Club has a cash balance of \$150 and would like to spend \$200 for an upfront purchase for a fundraiser. This would result in a negative balance, so this purchase is not permitted. However, a \$50 loan could be requested from Student Council.*
4. A loan can be issued by Student Council, but must be paid back prior to fiscal year-end (June 30).
5. Expenditures from the Student Activities fund are exempt from the State of Arizona Procurement Code unless BESD monies are involved. However, to maximize purchasing power you should consider following the procurement rules or similar procedures of purchases that meet or exceed the amount requiring sealed bids. Nonetheless, sound procurement practices should be followed.
6. All shipped items purchased must be sent directly to BESD warehouse.
7. Student Activities field trips can only be scheduled before/after school or during week-ends. Field trips during school hours must be curriculum-based. Curriculum-based field trips cannot be paid by Student Activities funds.
8. Student overnight travel must be approved by the Governing Board prior to any expenditure.
9. Disbursements from Student Activities monies may only be made by the School Student Activities Treasurer against an existing Purchase Order upon receipt of proper invoice and a receiving report authorizing the disbursement. Cash transactions are NOT permitted.
⇒ *Example: The Cheerleading Club is running a car wash next door to a convenience store. The Club Sponsor and some of the participants decide to take \$25 from the cash box to buy sodas for the group. This transaction would violate Student Activities Handbook and State guidelines.*
10. When purchasing substantially valued items, it is recommended three quotes are obtained from three different vendors to insure the best price for the product.
11. Carnival/Festival events and other goods/services that have a potential liability to BESD should be cleared through the Business Service Department.
12. At the end of each fiscal year, all club accounts must have a positive or zero balance. It is the responsibility of the Club Sponsor and the School Student Activities Treasurer to ensure accounts complete the year in a positive standing. Clubs that had no activity during the year must be justified to remain an active club. After the second year of inactivity, any ending balances are automatically transferred to the school's Student Council account.
13. Capital items purchased by a student club must be donated to BESD. Capital items are assets with a cost of

\$1,000 or more. The Acceptance Request form located on the Intranet webpage under Business Services/ Gift & Donations. Forms must be completed and returned to the district office.

14. Reimbursements are only allowable with:

- a) *Club pre-approval as reflected in minutes*
- b) *Purchase requisition pre-approval*
- c) *Business Services pre-approval as reflected in approved purchase order*
- d) *Original detailed receipts signed and dated*

15. Purchases made without a Purchase Order are considered unauthorized. BESD will not reimburse the club or Club Sponsor for any unauthorized purchases.

16. Existing Purchase Orders can only be revised once. The club should forward their amended minutes and sign-in sheet to the School Student Activities Treasurer for processing. If more than one revision is necessary, a new requisition may need to be approved and processed.

VI. Purchasing Procedures

PURCHASING PROCEDURES

1. Club pre-approves the purchase and records in detail the authorized expenditure in the club minutes (**Form C**) The minutes should be detailed specifying the date, time, sign-in sheet, purpose of the expenditure/purchase, vote count, vendor(s) name(s) (if available), and the maximum amount approved to spend to include tax and shipping/freight charges.
 - a. *Resale Purchase Orders do not have to pay sales tax (exceptions: Costco, Smart & Final, etc.).*
 - b. *Purchase Orders for Club's use must pay sales tax even if the vendor does not charge tax or is out of state. BESD must pay Arizona sales tax on all Purchase Orders except for resale merchandise.*
 - c. *Most vendors charge shipping/freight costs. The standard rate is 10% of the order cost. If shipping is free, please state this "free" service on your requisition. (Form I)*
2. If the club is approving overnight travel for students, the travel event must be approved by the Governing Board prior to any expenditure taking place. This is a very lengthy process, so address this request immediately with your Administrator.
 - a. *Student overnight travel has no distance limitations.*
 - b. *The entire trip costs should also include the Club Sponsor and chaperones.*
 - c. *If travel expenses are approved for this trip (prior to expenditure with Purchase Order in place), please submit a Travel Expense Form along with the original detailed receipts. Please itemize expenses per day.*
3. If the club is approving the hire of an outside service vendor such as a D.J., security services, choreography services, etc., a Contract of Service is required from the vendor. This signed Contract must be originated by the Vendor, not the club. The signed Contract must be submitted with the Requisition Form and other required documents.
4. Club Sponsor verifies the adequate club funds to cover the expenditure. When filling out the Student Activities Requisition form (**Form I**).
5. If the club is wishing to conduct business with a new vendor, please submit a Vendor Registration form and a W-9 form to your vendor. Once both forms have been submitted to the District Buyer in Business Services, the paperwork will be reviewed. If both forms have been completed properly, the vendor will be set-up as a

Student Activities vendor. Only then can a requisition be processed.

The IRS W-9 form can be downloaded at: <http://www.irs.gov/pub/irs-pdf/fw9.pdf>

6. Depending on the circumstances, it can take two to eight weeks to process a requisition. Obtaining the necessary signatures takes time. If the Governing Board must approve student overnight travel, this takes time. If you are hiring an outside service vendor, a contract takes time to acquire. If you want to do business with a new vendor, it may take time to acquire both forms. Please don't procrastinate.
7. The club prepares the Student Activities Requisition form (**Form I**).
 - a. Please list each item you are purchasing along with the quantity, part number, and unit price
 - b. Don't assume the staff processing this request knows what the club wants/needs.
 - c. Most vendors prefer as much information as possible on the Purchase order (more is better).
 - d. Don't forget to add the sales tax and shipping costs.
8. The club obtains all necessary signatures on the requisition form and forwards the form along with the minutes, sign-in sheet, and vendor quote (if appropriate), to the Site Administrator's office for approval/signature.
 - a. Site Administrator signs and returns the requisition documents to the club.
 - b. The club forwards the signed requisition, minutes, sign-in sheet, vendor contract (if applicable), and vendor quote (if applicable) to the Student Activities Assistant Treasurer for processing.
 - c. If this expenditure is related to student overnight travel, please also provide the agenda item number and the date when the Governing Board approved your request.
 - d. If funds are not available at the time of processing, the request will be denied until funds are available.
9. The School Student Activities Treasurer reviews the requisition, minutes, sign-in sheet, and vendor quote (if applicable). If the expenditure is appropriate for a Student Activities purchase, a Purchase Order will be issued.
10. Once a Purchase Order has been generated, the Club Sponsor will place the order with the vendor.
11. All merchandise must be shipped directly to the school site.
12. When the club receives the merchandise, take an inventory of the items received. Contact the vendor if the shipment is incorrect. Sign the receiving/packing slip, date it, and file.
13. If you go to the vendor's store to purchase the items, ask for a detailed receipt payment against the Purchase Order must be from a detailed receipt.
14. Vendors will most likely send you the invoice or expect a payment from the detailed receipt. Process the invoice/detailed receipt immediately with your School Student Activities Treasurer.
15. Checks are not issued to vendors without a Purchase Order being in place.
16. Checks are not issued without a vendor invoice and authorization by the Club Sponsor.
17. When you receive the invoice, verify the vendor bill. If it is accurate, sign your name on the invoice stating "ok to pay," date it, state if you want the Purchase Order closed or left open, and submit it to your School Student Activities Treasurer along with the receiving/packing slip. Please be aware that School Student Activities Treasurer will only close Purchase Orders if authorized by the Club Sponsor.

18. School will process payment.

- a. *If the vendor wants to pick-up their check, on the invoice write/note this request. Please provide their phone number, so school can contact the vendor.*

VII. Account Reconciliation

RECONCILIATION PROCEDURES

1. It is the Club Sponsors' responsibility to maintain accurate financial records and club files/documents.
2. By the 10th of each month, the School Student Activities Treasurer will deliver last month's reconciliation to the Club Sponsor and the district office (*month-end report*).
3. The Club Sponsor should reconcile the account from this report. Any discrepancies should be researched and identified.
4. If a discrepancy is found, please notify the School Student Activities Treasurer of any discrepancies within one week of the posting.
5. If the Club Sponsor does not notify the School Student Activities Treasurer of any discrepancies within this period, then the Sponsor's agreement with the balance is implied.

*******Student Activity Sample Forms*******

Student Club Sponsor Agreement (Form A)

Who can be an Advisor?

Any Balsz Elementary School District staff member assigned to the school site can be a Club Sponsor. A student cannot be a Club Sponsor. Club Sponsors will have to have knowledge of BESD and campus policies, insurance/risk management issues, and building a stronger campus community.

The members of: _____ Club

of fiscal year: _____ at school: _____

by the selection process outlined in our Constitution hereby announce that

Name: _____

will be our Club Sponsor for this academic year.

BESD No. 31 has the following expectations of all Club Sponsors:

1. Assist the club when establishing constitution/by-laws
2. Take an active role in the club, but do not run the student club
3. Train student officers on their roles and responsibilities
4. Assist with scheduling/planning of their meetings and events
5. Help to prepare the agenda for each meeting
6. Attend all meetings
7. Address the financial balance at each meeting
8. As identified during each club meeting, follow-up on “to do’s” in a timely manner
9. Process all necessary paperwork for income and expenditures in a timely manner
10. Maintain the club calendar of events
11. Attend all events
12. Maintain all club documents/records in an orderly fashion for a minimum of three (3) years
13. Maintain and balance the club’s financial account monthly
14. Provide guidance on BESD policies and procedures
15. Pass along club history to the next year’s encumbrance

Club Sponsor: _____ Date: _____

Student Officer: _____ Date: _____

Student Council: _____ Date: _____

Site Administrator: _____ Date: _____

Please submit a copy of this Contract to:

<input type="checkbox"/>	Student Council
<input type="checkbox"/>	District Office

Constitution Form (Form B)

CONSTITUTION

School: _____ **Date:** _____

ARTICLE I
NAME AND PURPOSE

Section 1. The Name of this organization shall be:

ARTICLE II
MEMBERSHIP

Section 1. Membership in the organization shall be:

ARTICLE III
OFFICERS

Section 1. The Officers of this organization shall be: President, Vice President, Secretary, and Treasurer.

President	
Vice President	
Secretary	
Treasurer	

Section 2. The Officers of this organization shall be elected at the (*i.e.: the last regular meeting of the school year*):

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A majority of the votes cast shall be necessary to elect any officer of this organization.

Section 3. It shall be the duty of the President to preside at all meetings of this organization.

Section 4. The Vice-President shall fill the chair of the President in his/her absence.

Section 5. The Secretary shall keep the minutes of the meetings, a record of all business and all records on file.

Section 6. The Treasurer shall receive and disburse all funds of the organization and shall keep an accurate account of receipts and disbursements in accordance with organization's regulations.

ARTICLE IV
EXECUTIVE COMMITTEE

Section 1. The Executive Committee shall consist of:

Section 2. The Executive Committee shall make recommendations to the Officers and membership in general and shall carry out all assignments given them by the Officers and general membership. Other functions of the Executive Committee shall be:

ARTICLE V
MEETINGS

Section 1. The regular meetings of this organization shall be held:

--

during the regular school year on days designated by the Executive Committee and approved by the Officers.

Section 2. The President may call special meetings, approved by the Executive Committee.

Section 3. All meetings shall be open meetings and shall be held under the sponsorship of the Sponsor and Officers of the organization.

Section 4. This organization shall conduct its meetings according to Robert’s Rules of Order only used in large meetings where order is necessary, in all points not expressly provided for in the constitution of this organization.

ARTICLE VI
EMBLEM

Section 1. Each member of this organization shall be entitled to wear the emblem adopted by this organization.

ARTICLE VII
AMENDMENTS

Section 1. This constitution may be amended by a two-thirds vote of the organization, provided the Executive Committee has approved the proposed amendment, and that notice has been given at least one month prior to which it is to be voted upon.

Interim Committee Considerations:

1. Nominating Committee
2. Constitution Committee
3. Other special committees and assignments

Please submit for signatures:

Club Sponsor: _____ Date: _____

Student Council: _____ Date: _____

Site Administrator: _____ Date: _____

Please submit a copy of this Constitution to:

<input type="checkbox"/>	Student Council
<input type="checkbox"/>	Site Administrator
<input type="checkbox"/>	District Office

Student Activities Fundraiser Request Form (Form E)

School:		Date:	
Club Name:		Club Balance:	
Club Sponsor:			

Type of activity: Food Sales Clothing Other:

Is this a Joint Fundraiser? Yes, with: _____ No

How will proceeds be allocated? _____

Describe fundraising/activity plans:

Purpose for activity:

Facility Request/Location:

Have you submitted your Facility Request to the Operations Department? Yes No

Location: _____

Signature: Club President

Signature: Club Sponsor

STUDENT COUNCIL ACTION REPORT

Date Application Considered: _____

Action Taken: Approved Not Approved

Justification/Reason:

Signature: Student Council President

Signature: Student Council Club Sponsor

Signature: Site Administrator

Please submit a copy of this Fundraising/Activity Request Form to:

District Office

Student Activities Cash Collection Form (Form F)

School:		Date:	
Club Name:		Club Sponsor:	

Please itemize the fundraising monies received: Candle sales; student store items; concession stand items; ticket sales, etc. Also submit the Ticket Log or Tally Log along with this Cash Collection Form.

QUANTITY SOLD	UNIT PRICE	AMOUNT COLLECTED	DATE COLLECTED	ITEM DESCRIPTION/ STUDENTS NAME
Total Deposit:		\$ _____		

Two signatures required during the count of the deposit:

Prepared by:	Date:
Approved by:	Date:

Coin/Currency:	
\$100	_____
\$50	_____
\$20	_____
\$10	_____
\$5	_____
\$1	_____
.50	_____
.25	_____
.10	_____
.05	_____
.01	_____

Breakdown of the deposit:

Coin:	\$
Currency:	\$
Checks:	\$
Total Deposit:	\$ _____

Verified by:	Date:
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Store the following documents with the Student Activities Treasurer:

<input type="checkbox"/>	Copy of deposit slip	<input type="checkbox"/>	Copy of calculator tape	<input type="checkbox"/>	Copy of Ticket Log or Tally Log
<input type="checkbox"/>	Copy of each check	<input type="checkbox"/>	Copy of Cash Collection Report	<input type="checkbox"/>	Any additional backup

Student Activities Requisition Form (Form I)

Purchase Order

Club Transfer

School:		Today's Date:	
Club Name:		Club Sponsor:	
Date of Club Minutes:		Date of event:	
Purpose of event:			

Vendor:	Date Required:
Address:	Club Balance: \$

QUANTITY	PART #	DESCRIPTION	UNIT COST	EXTENDED COST

The required documents are attached:	<input type="checkbox"/> Club Minutes	<input type="checkbox"/> Sign-In Sheet
Is this expense for overnight student travel? Was this travel approved by the Governing Board? When?	<input type="checkbox"/> Yes Date:	<input type="checkbox"/> No <input type="checkbox"/> N/A

Signature required: Student Officer

Signature required: Site Administrator

Signature required: Club Sponsor

Signature: District Student Activities Treasurer

Upon your Purchase Order (PO) being approved, your School Secretary will provide you a copy. When you receive your merchandise, please sign your name on the invoice stating "ok to pay," date it, state if you want the PO closed or left open, and submit to your School Secretary for processing. Thank you.

I. Fix Assets Summary

Fixed assets of school districts consists of land improvements; buildings and improvements; furniture, equipment, and vehicles (hereafter included as equipment); and construction in progress (CIP). These assets represent a major investment of district funds. Therefore, the district has established controls and accountability for these assets and has developed a complete property control system. Policies and procedures contained herein ensure that Balsz School District No. 31 is compliant with all governmental regulations, as noted in the Uniform System of Financial Records (USFR).

The Visions financial software has been designed to comply with the policies and procedures for recording and controlling fixed assets, as well as the fixed asset information itself. The following is information that is recorded:

1. Centralized control over assets, including safeguards against theft and misuse
2. Maximum efficiency in property use
3. Accumulation of data for more effective current and long range planning for fixed asset acquisitions, replacement and maintenance
4. Detailed property records for documentation in the event of fire or casualty loss
5. Information for district taxpayers
6. Proper valuation and classification of fixed assets, and their presentation in the general purpose financial statements and Annual Financial Report in accordance with generally accepted accounting principles

Principals and District department directors are responsible and accountable for control and care of fixed and capital assets located at their schools or in their departments. This responsibility and accountability is inherent to these positions.

II. Assets Received Through Purchase

Policies:

1. The proper receipt of assets (value greater than \$1,000) is critical to the district's asset management program. It is critical to have proper procedures and policies in place to insure the districts assets are monitored and controlled, beginning with receipt of the asset.
2. It is the responsibility of the district's Receiving Department, IT Department and Principals to insure that items are tagged.
3. Accounts Receivable should be notify immediately of any delivery of fixed/capital assets directly to a school or other user locations. It is the Principal, designee or District Director's responsibility to insure procedures are followed to insure proper processing of the asset.
4. Asset tagging must be completed by the IT or Business Office personnel.

Procedures for Purchasing

All assets (with exception of donations) must be purchased on a line-item purchase order. If it is noted that property asset items were purchased on a blanket purchase order the employee who does the requisition, should notify Property Control of the item(s).

Procedures for Receiving

1. The Business Department should be notify immediately after receiving the assets.
2. If the assets need immediate placement, inform the Business Department of the assets location.
3. As the item is unpacked, care must be taken to preserve all paperwork including the packing slip. The employee who confirms the delivery must sign the packing slip.
4. Send all paperwork to the Business Office.
5. Property Control will respond on-site to affix asset tags and record pertinent information (i.e., serial #, location of asset, etc.)
6. If the item is picked up from vendor/store it is imperative that the following steps be followed:
 - a. The picked up must be signed.
 - b. As the item is unpacked care must be taken to preserve all paperwork including the packing slip. The employee who confirms the delivery must sign the packing slip.
 - c. Send all paperwork to the Business Office.
 - d. Property Control will respond on-site to affix asset tags and record pertinent information (i.e., serial #, location of asset, etc.)

Property Control Personnel

1. Property Control will review the computer system daily for new items and tag newly received items.
2. Property Control will record the capital asset's location and other criteria in the GFA Detail listing.

Receiving Personnel

1. School personnel will make sure all assets are tagged prior placing assets in new location.

III. Donation of Assets Policies

Gifts that may serve to enhance and extend the work of the schools may be accepted by the District. This policy is intended to apply to any individual or group, including student groups that desire to donate gifts to the District.

1. Equipment donated to the schools through a gift or donation becomes the property of the District and subject to the same controls and regulations that govern the use of other District-owned property. The District may determine the placement and use of any gift given to the District.
2. Individuals or organizations desiring to contribute supplies or equipment will review with school officials regarding the acceptability of such contributions in advance of the district's acceptance of the donation.
3. Donations of item(s) or equipment shall be submitted to Business Department for consideration and approval.
4. Items purchased with donated monies are also considered donated items and all donation procedures apply.

Procedures for School or District Department Receiving a Donation of Asset

1. The school or department is contacted by a donor, or chooses to solicit donation(s).
 - a. It is required that all donations are submitted to the Business office prior to acceptance.
 - b. Any technology related equipment/software shall be approved by the Technology Director.
2. Upon a school or department receiving an offer of a gift or donation a "Request for Acceptance of Gifts and Donations" form to Balsz School District No. 31 is to be completed and sent to Business Office.

Governing Board Approval

1. The request will be reviewed by the Governing Board using guidelines in District Policy.
2. All donations and gifts reviewed must be approved by the Governing Board prior to acceptance. Items that have no value, that are expensive to maintain, require unavailable space, etc. may not be accepted.
3. Recommendations of acceptance will be made at the next possible Governing Board meeting.
4. Using the GFA Detail form, the asset(s) will be identified and tagged with Balsz School District property identification tags by the Receiving Department.
5. Donated assets will be entered into the Visions Fixed Asset (GFA) computer system, noting value as a donation.

Transfer of Equipment Policies

1. The Principal and Plant Foreman at Schools and the Department Directors are responsible for district property and to coordinate receiving, transfer, and disposal of assets with the district's Property Control Department.
2. All items with a unit value of \$1,000 or more must be accounted for and recorded in the Balsz District Fixed Asset System (GFA). Ultimate responsibility for missing items rests with the Principal or district's department Director.
3. Location integrity is essential for proper control of equipment in the district. Therefore it is imperative that when equipment is moved from school to school, proper documentation is maintained for the equipment involved. This integrity is critical:
 - a. To identify equipment lost due to theft, fire or other loss. Police reports and insurance claims require this information. These requirements cannot be met if records are not up to date and accurate.
 - b. To provide accuracy in Balsz School District inventory records, as required by the State.

IV. Procedures for Transfer of Equipment or Disposal

This applies to all transfers with exception of the technical assets that Balsz District Technology Services Department initiates.

1. Complete Request to Dispose of or Transfer Equipment Form. It is essential to provide all information noted below.
 - a. For all Transfer requests, form should include:
 - i. Asset Tag Number
 - ii. Description
 - iii. Serial Number
 - iv. "Transfer" section of the form
 - v. Complete both the "From" and "To" information
 - vi. Signature of department director in the transfer section of the form.
 - vii. Include any additional comments
2. For transfer of technical items (site initiated), contact the Technology Department at least three (3) days prior to the transfer. (A technician will assist in disassembly and reassembly of equipment and sign the form in transfer section as noted.)

3. Principal or Director must sign the form in the approval section.
4. Principal or Director must send all copies of the completed form(s) to: Business Office, Attention: Fixed Asset Accounting Coordinator.

Business Resources Personnel

1. Review the form to make sure it is complete.
2. If not in agreement, discuss discrepancies with the Principal and/or district Director.
3. If in agreement, sign and initial the form.
4. Verify information form with asset computer listing.
5. Update appropriate asset records on Balsz Fixed Asset System (GFA).
6. Sign and date form to verify completion of the process.

Procedures for Information/Technology Repair Technicians

In many cases the technology personnel will recommend disposal or will move computers, printers, scanners and any other associated hardware from room to room or school to school. In these cases, it is important for them to fill out the "Request to Dispose of or Transfer Equipment" form with the following instructions.

This form will need to be used each time any equipment with a district property control tag is moved or transferred.

Technology Department

1. Complete 'Request to Dispose of or Transfer Equipment' form. It is essential to provide all noted information.
 - a. for all Disposal **OR** Transfer requests
 - i. Asset Tag Number - this is the control number for district wide property records. It is imperative that this number be provided on the form.
 - ii. Description
 - iii. Serial Number iv. Location/department

Disposal of Equipment Policy (*See Surplus Property Procedures*)

1. The Principal and Building Manager at Schools and the Department Directors are responsible for district property and to coordinate receiving, transfer, and disposal of assets with the district's Property Control Department.
2. All items with a unit value of \$1,000 or more must be accounted for and recorded in the Balsz Fixed Asset System in Visions (GFA). Ultimate responsibility for missing items rests with the appropriate Principal or district Department Director.
3. The district approved process for disposal of surplus, old/obsolete, broken or worn out furniture and equipment must comply with "State Administrative Code", Rule R7-2-1131 which outlines methods of disposal.
 - a. Cannibalization
 - b. Recycle/scrap
 - c. Public auction
 - c. Trade in
 - d. Approved surplus property program (State of Arizona)

4. School and department personnel will use the suggested procedure for disposing of assets. It is the responsibility of the District Property Control Department to select the appropriate method of disposal and complete the disposal transaction.

No other Balsz School District employees are authorized to take any action to sell, donate, transfer or dispose of any District property.

5. It is the responsibility of the Principal, Building Manager, or District Director to safeguard the equipment until pickup by Property Control is completed.

Procedures for Disposal of Technical Item(s) and/or Equipment

Applies to all disposals with exception of the technical assets that Technology Department initiates. For disposal of technical items (site initiated), contact the Balsz Technology department. (The technician will sign form in disposal section of form to approve disposal.)

1. Asset Tag Number - this is the control number for district property records. It is imperative that this number be provided on the form.
2. Description
3. Serial Number
4. "Disposal" section of the form
5. Be sure to mark and note the reason for disposal
6. Obtain Information/Technology Services signature in the disposal section for approval if disposal is for technology related equipment.
7. Include any additional comments

For all Disposal requests, (see Disposal procedure):

1. "Disposal" section of the form
2. Be sure to mark and note the reason for disposal
3. Include any additional comments
4. Sign and date the form in space provided.
5. Give the forms to the Principal or Department Director.

For all Transfer requests:

1. "Transfer" section of the form.
2. Complete both the "From" and "To" information.
3. Include any additional comments.
4. Sign and date the form in space provided.
5. Give the forms to the Principal or Department Director.

Business Resources

Verify form with asset computer listing.

1. Update appropriate computer asset records and listings
2. Sign and date form to verify completion of the process.

Surplus Property Procedures for Disposing of Assets

Balsz School District No. 31 is required by law to maximize use of all assets and, when it has no further use for them, maximize returns on their sale. We are not allowed to give surplus property away. The Fixed Assets or Property Control Department is the only department authorized to dispose of surplus property. The primary role of the Surplus Property Department is to ensure that the excess property generated by each department will be handled in a method that both maximizes the return to the District and meets the disposal requirements of the State and Federal Governments.

Balsz School District No. 31 must comply with DN of the School District Procurement Rules when disposing of assets. Additionally, Balsz School District No. 31 should use the following suggested procedures for disposing of assets.

If you have excess property at your school or department that is no longer needed:

1. Gather items/equipment into one area.
2. Check with other members of your department and make sure no items are still wanted.
3. I.T. equipment that is ready for pick up will require additional approval and signatures from our I.T. representative.
4. Fill out required information on the Disposal Form with the school/unit, department, name, building, room, date, tag and serial number, total, description, and reason for disposal.
5. Get required signatures from Authorized persons (Principal, Department Head and I.T. Representative) to release the surplus from your campus.
6. Forward the completed Disposal Form(s) to: Business Department
7. Surplus will not be able to be picked up from your location until after the Governing Board has approved it for disposal by sale, trade-in, loss, obsolescence, or damage.

SIGNATURE _____

Dr. Jeffrey Smith, Superintendent

SIGNATURE _____

Tim Leedy, Business Director

V. Inventory

Inventory Policies

1. The Principal and Building Manager at Schools and the Department Directors are responsible for district property and to coordinate receiving, transfer, and disposal of assets with the district's Property Control Department.
2. All items with a unit value of \$1,000 or more must be accounted for and recorded in the Balsz Fixed Asset Systems (GFA). Ultimate responsibility for missing items rests with the appropriate Principal or district Department Director.
3. Property control will schedule a physical inventory at each site preferably once per year, but no less than once every two (2) years.

The district approved process for disposal of surplus, obsolete, broken or worn out furniture and equipment must comply with "State Administrative Code" Rule R7-2-1131 which outlines specific methods of disposal. (Refer to the Procedures for Disposal of Assets.)

Inventory Procedures

The Uniform System of Financial Records (USFR) requires districts to conduct a physical inventory of all equipment. Districts are required at least every three years, and at least every two years for equipment costing \$5,000 or more or purchased with federal monies.

Physical Inventory:

1. Business Resources will provide the current inventory listings from Visions (financial software) for every department and school.
2. The inventory list will include the item's tag number, description and location.
3. Each department and school should assign an employee not responsible for the custodianship of the equipment to compare them to the equipment on the listings.
4. Verification of equipment should be indicated by initialing the items on the listing.
5. Equipment in the department or school not included on the listing should be added.
6. If item(s) are not available to be inventoried because it was taken home, the item must return to the site to be inventoried.
7. If the item(s) was moved to another location, this should be noted on the inventory listing.
8. Each listing must be signed and dated.

Alternative Method for taking Physical Inventory:

We may use an alternative method of inventory by issuing a current listing of equipment by location to each department and school.

BUSINESS OFFICE PROCEDURES

PART I:

1. Business Resources will provide the current inventory listings from Visions (financial software) for every department and school.
2. Department and school secretaries will review and verify each item that shows to be in their department by initialing and dating the listing.
3. If item(s) are not available to be inventoried because it was taken home, the item must return to the site to be inventoried.
4. If the item(s) was moved to another location, this should be noted on the inventory listing.
5. Each listing must be signed and dated.
6. All listing are due to Business Office by June 30.

PART II:

1. If item(s) are not found, departments and schools are to first research to see if the item is in fact missing.
2. If the item is missing, the department and schools will be provided a Not Found form to complete.
3. If the item is found, contact the Business Office immediately and each item will be removed off the Not Found Report.