



SANTA MARIA INDEPENDENT SCHOOL DISTRICT

STUDENT ACTIVITY FUND MANUAL FISCAL YEAR 2014-15

**SANTA MARIA INDEPENDENT
SCHOOL DISTRICT**

Student Activity Fund Manual

INTRODUCTION

This manual is designed to provide a set of standardized accounting guidelines and procedures for the administration of the Santa Maria Independent School District Student Activity Funds.

Principals, secretaries and clerks, sponsors and other personnel involved in the handling of Student Activity Funds are responsible for following the guidelines and procedures prescribed in this manual.

The Texas Education Agency Financial Accountability Resource Guide serves as the source for the guidelines outlined in this manual.

This manual supersedes all prior publications regulating the administration of the Student Activity Funds.



TABLE OF CONTENTS

SECTION

- 1. General Information**
- 2. Basic Records**
- 3. Banking Practices and Procedures**
- 4. Issuing Receipts**
- 5. Deposit of Funds**
- 6. Returned Checks and Redeposits**
- 7. Disbursements**
- 8. Donations**
- 9. Purchasing Policies and Procedures**
- 10. Vending Machines**
- 11. State, Local Sales and Federal Excise Taxes**
- 12. Fund Raising Activities**
- 13. Transfer of Funds between Activity Accounts**

APPENDIX

- A SMISD District Policies**
- B Student Activity Fund Forms**

SECTION I GENERAL INFORMATION

1.1 Purpose of Activity Funds

The Student Activity Fund is designed to account for funds by a school in a trustee capacity or as an agent for students, club organizations of the campus, teachers and general administration of the school. These funds are used to promote the general welfare of each school and the educational development and morale of all students. The accounting function for the Student Activity Fund is delegated to each campus and must comply with the guidelines and procedures required by this manual .

Funds acquired by student bodies, teachers, or groups of students from sources listed below are considered Student Activity Funds.

1. Concession sales at activities or events.
2. Ticket sales for entertainment such as plays, fairs, carnivals, or shows.
3. Student Publication sales.
4. Funds raised dues or profits from activities of clubs or groups within the student body
5. Contributions designated for specific purposes on the campus

1.2 Responsibility For Activity Funds

The School Principal is ultimately responsible for the proper collection, disbursement and control of all activity fund monies. The responsibility includes:

1. Providing for the safe keeping of monies.
2. Proper Accounting and administration of fund transactions
3. Expenditure of funds in compliance with applicable state laws, and local board policy administrative guidelines.
4. Adequate training and supervision of all personnel designated by the Principal to administer activity funds.

As per TEA Resource Guide, the Principal is not responsible for funds collected, disbursed, and controlled by parent or booster organizations. These parent and booster organizations funds are not to be accounted for in the school's activity fund.

Student Organization sponsors are responsible to see that students participate in decisions about how funds they raise are spent. This can be documented in minutes of the organization. **“Funds collected by student groups shall be used only for purposes authorized by the organization or upon approval of the sponsor. All funds raised by student organizations must be expended for the benefit of the students.”**

1.3 AUDIT OF ACTIVITY FUNDS

Activity Funds may be audited periodically by the District's Accounting Department. In addition, an audit can be performed whenever there is a change in principal or secretary. The Principal/Superintendent/Accounting Dept may request in writing a special audit if a situation or event warrants it. Additionally, activity funds are subject to audits by the external auditor on a test basis.

1.4 RETENTION OF RECORDS

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

1.5 SAFEGUARDING ACTIVITY FUNDS

Student Activity Funds should be kept in a secure location at all times. When daily deposits are not possible cash receipts **MUST** be kept in a secure location and access should be limited. Blank check stock must also be under lock and key. If cash on hand is in excess of \$100.00 a deposit **MUST** be made at the end of the day.

SECTION 2 BASIC RECORDS

All records must be completed in **ink**. A copy of all records submitted to accounting must be retained for audit purposes.

2.1 ACTIVITY FUND CASH RECEIPTS

Student Activity Fund cash receipts are the means of accurately recording cash received and provides support for each bank deposit. Pre-Numbered cash receipt books are to be used to document the receipt of cash, checks, etc.

2.2 DEPOSIT RECORD

With each submittal of monies, a sponsor must properly complete a tabulation of monies form. The person receiving the funds should count the funds in the presence of the depositor in order to verify the total received. The monies form must be initialed by both "counters". The sponsor must keep a copy of the receipt as proof that funds were submitted for deposit. A copy of each deposit record completed or voided will be maintained in sequential order and must be reconciled to a bank deposit slip to ensure that all funds are deposited in the bank.

SECTION 3 BANKING PRACTICES AND PROCEDURES

3.1 BANK ACCOUNTS

Each school shall have only one bank checking account which shall be entitled “(Name of School)” Activity Fund.” This account title must be imprinted on all Activity Fund checks and deposit slips. Only Activity fund transactions may be directed through the Activity Fund Bank Account. Transactions controlled by outside organizations such as PTA or booster clubs, must be handled through these groups own bank account.

Each campus is responsible for managing the cash balance of the Student Activity Account. ***Under no circumstances shall a Principal allow checks to be disbursed if sufficient funds are not available.***

3.2 CHECK SIGNATURE

Each bank account **must** have two authorized check signers, one of which must be the Principal and the other an administrator from the central office. It may not be the bookkeeper and/or the secretary.

Under no circumstances shall checks be pre-signed. No signatures shall be affixed until the check has been filled out in its entirety.

3.3 BANK RECONCILIATION

One of the most important aspects of the secretary’s job is the timely reconciliation of the Activity Fund bank accounts. ***It is the Principal’s responsibility to see that the secretary has adequate time to complete the bank reconciliation on time each month. Bank reconciliations are to be submitted to the Business Office on a monthly basis.***

Upon receipt, the bank statement is reconciled to the checkbook. **Principal’s original signature must be on the bank reconciliation when turned into the Accounting Dept. acknowledging confirmation of balances and activity.**

Bank reconciliations shall be completed by someone other than cash receipts clerk or individual assigned to handle cash receipts and disbursements. This allows for separation of duties and internal control. When separation of duties is not possible, the principal is responsible for supervising these duties and must sign receipts and verify deposits.

Since the principal is held ultimately responsible for the activity funds, it is recommended that the principal review the bank statement for unusual items.

3.4 BANK ACCOUNTS

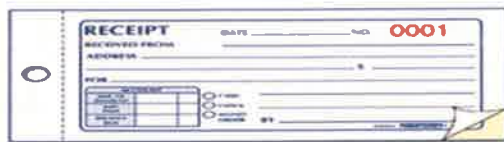
Business Conducted with the bank shall not be in violation of any board policies rules or regulations.

Schools should not borrow funds or enter into deferred payment contract from any and all sources without the written consent of the Central Administration Office.

SECTION 4 ISSUING RECEIPTS

4.1 GENERAL RECEIPTING PROCEDURES

All cash and check collections must be recorded (in duplicate) by the person receiving money:



1. Original (white) to person submitting the money
2. Permanent copy (yellow) retained in the receipt book.

The receipt must contain the following to be considered properly completed:

1. Date, Activity fund site and amount'
2. The individual or firm submitting the money. A receipt may not be issued to more than one person.
3. An explanation of the purpose for which the money was received
4. The correct Activity Account Code (865)
5. The signature of the person receiving the money. The signature must be manual; signature stamps are forbidden.

An actual cash count must should be made by the person signing the receipt in the presence of the person turning in the money. The total cash and checks should be shown separately on the cash receipt. The person turning in money should never leave without having been present to verify the deposit.

Post dated checks cannot be accepted from any source.

Under no circumstances shall a cash receipt be altered. If an error occurs, VOID the original receipt and all duplicates and issue a new receipt. The original of the voided receipt must be attached to the copies and retained for audit purposes. Receipts are not to be pre-signed or pre-dated.

4.2 RECEIPT OF MONEY BY SPONSORS

Money may be collected by an authorized individual other than the cash receipt clerk (teachers, librarian, clerks, etc., but only as approved by the principal) for such items as books, student fees, fund raising activities, etc. In such instances, the individual collecting the monies must account for the monies collected as follows:

Tabulation of Funds Form must be completed with all information provided.

In some cases, the authorized individual may issue cash sub-receipts to payers for monies collected. A copy should be stapled to a Tabulation of funds form with only one summary and total information completed.

Collections shall be submitted to the secretary or designee daily. **Monies should not be kept overnight.**

The original completed Tabulation of funds form and the attached copy of sub-receipts, if used shall be sent with monies collected to the secretary/designee who will count the funds in the presence of the depositor and prepare cash receipt once the deposit total is verified.

The secretary should keep on file for 5 years for audit purposes the original Tabulation of Funds form with attached sub-receipts, if applicable.

Individuals sponsors/collectors should also keep verified copies of the Tabulation of Funds collected for 5 years for audit purposes.

SECTION 5 DEPOSIT OF FUNDS

5.1 GENERAL OPERATING PROCEDURES

Deposits must be made whenever cash collections have been made. Deposits should always be made when collecting fundraising money, especially after a large fundraising event such as festivals. All deposits will be done by the Business Office.

All Checks held for deposit shall be endorsed as follows:

For Deposit Only
(Name of School) Activity Fund
Account Number

All Checks are to be endorsed at the time they are reviewed or accepted.

All cash receipts supporting cash deposits shall be deposited in numerical sequence. Deposit slips should include receipt numbers to allow for an audit trail.

All monies on hand at the end of the school year, including petty cash, should be deposited prior to closing the books for the year.

5.2 PROCEDURES FOR PREPARATION OF BANK DEPOSITS

A bank deposit slip shall be prepared in duplicate and shall include the following:

1. The date and amount of the deposit
2. The cash receipt number(s) issued that make up the deposit
3. A listing of each check in the deposit

The original white copy of the deposit slip is retained by the bank. The yellow copy is retained and the deposit slip received from the bank should be attached.

The sum of the amounts of the supporting cash receipts must agree with the amount of the deposit slip.

Under no circumstances should money be taken home for safekeeping.

5.3 CASHING OF CHECKS

The practice of cashing personal and/or payroll checks is prohibited.

5.4 CASH USED FOR PURCHASES

Cash received **MUST NOT** be used for purchases, check cashing, loans, advances, reimbursements, or for any other purpose and must not be co-mingled with other money.

SECTION 6 RETURNED CHECKS AND REDEPOSITS

6.1 RETURNED CHECKS

Occasionally, a check which had been previously deposited by the bank for a variety of reasons. A check may be returned for improper signature, insufficient funds, or account closed. When a check is returned by the bank, the following procedures shall be followed:

1. The secretary shall immediately notify the maker of the returned check and request that it be redeemed with cash.
2. If the maker of the returned check requests that it be redeposited, such action shall be taken. A check may be redeposited only once; after such time only cash may be accepted.
3. Under no circumstances should the returned check be surrendered to the maker except in return for cash.
4. No checks shall be accepted from a party who has not redeemed a previously returned check.
5. Retain all bank memorandum in the school files.

6.2 REDEPOSITS

When a returned check is redeemed by the maker, the resulting deposit is known as a redeposit. Procedures to be followed are:

Prepare a separate deposit disclosing:

1. Date and amount of redeposits
2. Name and maker of the returned check
3. The previous cash receipt number or the activity account where the check was originally deposited.

DO NOT issue a cash receipt since such action would constitute duplication.

If a person redeems a returned check with cash, give him/her the returned check at his receipt. (Keep photocopy for records)

6.3 UNCOLLECTED CHECKS

The Accounting Department will receive the correspondence for the returned check and will initiate contact; however if a campus receives the correspondence the following is the procedure to follow.

The following procedures are for checks deposited once or twice in the School's Activity Fund Account and returned by the bank marked non-sufficient funds or account closed.

Send a letter to the maker of the check requesting payment in cash or by cashier's check within a ten(10) day period. The letter should be sent to the last known mailing address of the maker and should contain the check number, date, and amount of check. **DO NOT SEND ORIGINAL CHECK!** The letter should stipulate the check has been redeposited and returned again and unless payment is received within (10) days, the check will be turned over to the District Attorney's office for the the filing of criminal charges.

If this second attempt fails, send copies of your notes and letters along with the check to the Accounting Department for issuance of final notice.

If a collection is made at the Accounting Department, the deposit and credit will be given to the appropriate activity fund.

SECTION 7 DISBURSEMENTS



7.1 GENERAL POLICIES

All expenditures shall be paid by check from the Activity Fund checking account.

Income received from a specific group (student and faculty) should be expended for that group. The Principal shall ensure that expenditures from these accounts are written for the intended purpose of the group and should not divert for other uses.

No Expenditures of funds shall be approved by the principal unless sufficient funds are available in the appropriate activity account. Thus, no check shall be drawn on any account with a negative balance unless sufficient funds are available in the appropriate fund account, or unless funds are anticipated at a later date in the appropriate activity fund account.

The Principal shall be authorized to expend funds from the campus administrative fund for activities of students, faculty, staff or campus.

All contracts, installment contracts, lease agreements and letters of agreement must be signed and approved by the school principal. This requirement includes commitment and obligations to DJ's, bands, fund raising companies, reservations at hotels for party rooms, ballrooms and restaurants. No contract or agreement may be approved without a specific authorization in writing by the Business Manager and the Superintendent.

7.2 PAYMENT REQUEST FORM

A completed **Payment Request Form** shall be the authority for the issuance of an Activity Fund Check. It must be properly completed prior to issuance of a check.

A Completed **Payment Request Form** shall include:

1. The payee
2. Date and Amount
3. Club Requesting the disbursement
4. Signature of persons requesting check (sponsor & principal)
5. A brief description of the reason/purpose of disbursement
6. Activity Acct Number and balance of acct to be charged/club account number/name
7. Approved signature of the principal
8. Check Number (when approved)

Payment Request Form must be in duplicate (copy acceptable). One copy is retained with the campus records and the other copy is submitted to the Business with the bank reconciliation

The **Payment Request Form** shall be attached to the supporting documentation and kept on file for audit purposes. Proper supporting documentation shall include:

1. Vendor's Original invoices. Periodic statements are not adequate supporting documentation.
2. Sales slip or cash register tapes from teachers or other employees who request reimbursement for items purchased from their own funds. Taxes however will not be reimbursed. Credit Card statements and customer copy of charge slips are not adequate supporting documentation.
3. Other supporting documentation may include letters, announcements and renewal notices when invoices are not approved by the vendor.
4. All invoices **MUST** be checked to ascertain that sales tax has or has not been charged, most purchases made by schools are tax exempt.
5. Credit cards statements, a customer copy of charge slips and copies of personal checks are not adequate supporting documentation.

Texas Sales Tax Exemption Certificate/Hotel Occupancy Tax Exempt Certificate must be used to avoid paying taxes.

7.3 ISSUANCE OF CHECKS

No expenditure of funds shall be approved by the principal unless sufficient funds are available in the appropriate activity account. Thus no check will be drawn on any account with a negative balance.

All payments shall be made by pre-numbered Activity Fund Checks.

All Activity Fund Checks must be manually signed by the two authorized check signers.

Payments must always be made to a specific person, company, or organization. (**Checks shall never be made payable to "cash"**)

Under no circumstances shall checks be pre-signed by an authorized check signer.

Under no circumstances is it allowed to draft/withdraw funds from Activity accounts. Consequences can lead up to termination.

All checks must be typewritten or completed in ink.

"VOID" checks shall have the signature area cutoff and staples to the appropriate check stub

If a check is issued to a vendor and the purchases are less than the amount of the check, any funds unused must be returned with the invoice. The individual returning the funds must ensure he/she is given a receipt for the funds returned. Receipt must specify the check number and amount issued; the amount of the invoice/receipt and the difference must match the amount returned.

7.4 ADVANCE PAYMENTS

Advance payments may sometimes be requested for necessary expenses to be incurred by clubs or other student groups engaged in out-of-town travel. Advance payments are not allowed for district employees traveling without students.

The Payment Request shall indicate that the check is for a travel advance. Upon completion of the activity, the sponsor shall return and unused funds to the secretary for issuance of a receipt. All supporting documentation and the receipt for unused funds shall be attached to the original Payment Request form.

The settlement of all advances shall be completed no later than fifteen (15) days after the completion of the activity for which the advance was made, except in cases deemed necessary by the principal. In all cases, settlement should be attained prior to the end of the school year.

7.5 SUPPLEMENTAL PAYMENTS TO EMPLOYEES FOR SERVICES (N/A)

7.6 PAYMENTS TO NON-EMPLOYEES FOR CONTRACTED SERVICES

PAID ONLY THROUGH BUSINESS OFFICE THUS, PROCEDURES NEED TO BE FOLLOWED

7.7 MEMBERSHIP FEES

Activity Funds may not be used for individual membership dues in an organization.

7.8 PROFESSIONAL CONFERENCE EXPENSES

Advance payments are not allowed for district employees not traveling with students. All travel reimbursement must be processed by the Business Office.

7.9 LOANS BETWEEN ORGANIZATIONS

Transfers as loans between activity funds are prohibited. Expenses can't be incurred if funds are not available.

SECTION 8 DONATIONS

8.1 DONATIONS

Donated capital assets must be submitted to the Board of Trustees for approval.

SECTION 9 PURCHASING POLICIES AND PROCEDURES

9.1 PURCHASES FROM ACTIVITY FUNDS

All purchasing policies and procedures must be followed when making purchases. When in doubt, contact the Purchasing Dept. for guidance in complying with purchasing policies.

The School Principal is fully responsible for all purchases and commitments requiring the present or future disbursement of Activity Fund Monies. Teachers must have a commitment from the principal before making any purchase in the name of the school.

All Purchasing Guidelines and Procedures must be adhered to:

- a. Awarded Vendors or Purchasing Coop Vendors Only**
- b. Prior approval is needed on PO prior to ordering goods or services**
- c. Purchases are to be used for student use only. Office supplies, teacher supplies, technology supplies, uniforms, etc. must be purchased from a budget account.**

9.1 COMPETITIVE BIDDING REQUIREMENTS

Activity fund purchases should comply with the district's purchasing procedures and relevant statutes. The guidelines below serve as an introduction to making purchases through the Activity Fund.

Upon request the Santa Maria ISD Business Office will assist in quotes, bids, and contracting processes by:

- a. Supplying information on existing contracts
- b. Publishing, receiving and tabulating quotes and bids for review and recommendation
- c. Reviewing contracts to be signed.

9.3 FUNDRAISERS

Payment of fundraiser merchandise sold does not require a bid, quote, or contract number; however, the Payment request form must state "Fundraiser" boldly on the face of the voucher.

SECTION 10 VENDING MACHINES

10.1 GENERAL POLICY

Revenue from vending machines situated in areas of the school, whether school serviced or vendor serviced, shall be controlled by the principal and processed through the activity fund. These funds can be used by student and faculty.

10.2 SERVICED VENDING MACHINES

All transactions involving funds generated by vending machines shall be entered into the Activity Fund Accounts established for this purpose.

Profits resulting from vending machines may be transferred, at the option of the principal, to accounts related to the supporters/payers from whom the profits were generated or other accounts for student related purposes. Documentation must be done for these transactions.

10.3 GENERAL OPERATING PROCEDURES

Commission checks are received at the Business Office and credit is given to appropriate locations.

SECTION 11 STATE, LOCAL SALES & FED EXCISE TAXES

11.1 TAXABLE STATUS OF PURCHASES

A. **TAX FREE PURCHASES:** All items purchases by a public school, school district or non private school for the schools own use qualify for an exemption from sales tax if the items purchased relate to the educational process. The School, school district or authorized agent should provide the seller with a Texas Sales Tax Exemption Certificate. To be valid the certificate must state that the merchandise being purchased is for the organization's own use in providing is being made in the name of the organization, and that payment shall be made from the organization's own funds.

Purchase for their own use by individuals, even though connected with a school or school organization, are not exempt from the tax. Examples -cheerleaders purchasing their own uniforms, band members purchasing their own instruments and athletic teams purchasing their own jackets.

EXEMPT SCHOOL ITEMS: Public and non- profit private schools and school related organizations need not collect sales tax on the following:

- a. Fees and admission tickets, including football and drama tickets.
- b. Club memberships
- c. Deposits

- d. Sales of food and soft drinks during a regular school day, subject to an agreement with the proper school authorities
- e. Sale of whole cakes or pies
- f. Food and drinks sold at carnivals

B. Exempt Food Sales: The sales tax is not collected on meals and food products, including candy and soft drinks, served in an elementary or secondary school during the regular school day by a school, student organization subject to agreement with school authorities.

This exemptions from the sales tax applies to guests, employees, or teachers served in a school cafeteria or teacher's lounge during the regular school day.

The sale of food, including candy and soft drinks, is exempt from the sales tax when sold by and organization associated with a public or non profit-private elementary or secondary school.(4 H Clubs, FFA, FHA, etc.) if:

- 1. The sale is part of a fund-raising drive sponsored by the organization; and
- 2. All net proceeds from the sale go to the organization for its exclusive use.

C. SCHOOL SPONSORED TRIPS: Meals purchased by the school for athletic teams, bands, etc. on authorized school trips are exempt from the sales tax if the school contracts for meals. The school must pay for the meals and provide the eating establishment with an exemption certificate.

Individual members of the athletic team, band, etc. may not claim an exemption from the sales tax on the meals they purchase while on a school authorized trip.

An exemption may also be claimed by the School from the Hotel Occupancy Tax if the school contracts and pays for the accommodations and provides the hotel with a completed Hotel Occupancy Tax Exemption Certificate.

D. TAXABLE SALES

Supplies and Publications

Public and non-profit private schools and school related organizations must collect the sales tax on the following:

1. School Purchased supplies sold directly to students including athletic equipment and physical education uniforms
2. Fees for materials when the end product becomes a possession of the student
3. Student publications such as yearbooks and football programs
4. School Rings
5. Books sold to students at book fairs

Sales by Teachers and Students

1. Teachers and students **MUST COLLECT** the sales tax on merchandise other than food products they sell.
2. If the school assumes responsibility for the activity and/or sales, the school is responsible for insuring the tax is paid. The school may purchase items tax free and must collect the tax when the items are sold.

NOTE: The contract with a vendor may specify that the vendor will collect and remit applicable sales tax to the State (Example: Scholastic Book Fair). In this case, the school does not have to report these taxable sales on the quarterly sales tax report.

SECTION 12 FUND RAISING ACTIVITIES

12.1 DEFINITION OF FUND RAISING ACTIVITIES

A Fund raising activity may be defined as any activity involving participation of a student body or a school recognized student group undertaken for the purpose of deriving funds for a school or a school sponsored event.

12.1 FUND RAISING ACTIVITIES FOR A SCHOOL

All sponsors must receive formal instruction on the contents of the Student Activity Fund Manual prior to any fund raising activity.

1. Fund raising activities are not confined to regular school hours but are considered an extension of the school program. When fund raising activities are in the name of the school, all funds raised become school funds, belonging to the school sponsored group responsible for raising the money.
2. Each organization is limited to a maximum of two fund raising activities.
3. To request permission to conduct a fund raising activity, the club sponsor should complete the application of the Fund Raising Application and Financial Recap. Forms must be submitted by Principal for approval for at least three weeks prior to the fundraiser.

4. Door to door fund raising by students in activities sponsored by the school or by a school related organization is prohibited.
5. Those fund raising activities and student activities which require solicitation of funds from business or commercial establishments or residents shall be limited to the attendance area served by the school. No student shall solicit funds or attempt to sell ads to the public except in his or her own attendance area. This restriction does not apply to solicitations made outside of the boundaries of the District.
6. Each organization is limited to a maximum of 2 fund raising activities annually. However, one fund raising activity may take place several times. For example, if a group sells Football Programs as a fundraiser that activity counts as one fund raising activity even though they may sell programs at several Football games.
7. Fundraising anticipated profits under \$1000.00 requires principal's signature only. Anticipated profits exceeding \$1000.00 require Superintendent or designees signature.
8. NO Raffles permitted.

12.3 ACCOUNTING FOR FUND-RAISING ACTIVITIES

1. Collections and Disbursements:

- a. All Collections must be receipted and all payments must be made with in accordance with Section 4 of this manual.
- b. All Collection and disbursements associated with any fund-raising activity coordinated by the school or a school recognized student group shall be transacted through the Activity Fund.

2. Upon completion of fund raising activities, the financial recap section of the Fund Raising application and Financial recap should be completed by the sponsor, with white copy to be filed with the activity secretary/clerk and the yellow copy to be retained by sponsor.

This report should indicate gross collections and list any expenses incurred relative to the activity merchandise(advertising, sales tax, prizes, etc.). Disposition of the net proceeds(profits) should also be disclosed if funds were collected for a specific purpose.

3. The club sponsor or activity chairman is responsible for keeping accurate records for all money raising activities. Such records should include at a minimum:
 - a. Distributions Lists
 - b. Daily Collection Reports
 - c. Tabulation of sales tax collections
 - d. Original cash receipts received for money turned into the secretary

4. At the conclusion of the fund raising activity, all records should be turned in to the secretary with the original white copy of the completed Fund Raising application and Financial Recap form and retained for audit purposes.

SECTION 13 TRANSFERS OF FUNDS BETWEEN ACTIVITY ACCOUNTS

13.1 GENERAL POLICIES

Some activity accounts are established for established for the single purpose of isolating transactions for a specific activity, collection, solicitation, etc., thereby enabling the profitability of the activity to be determined; a Picture Account and Candy Sale account would be two(2) examples. Net Proceeds remaining in such an account must be transferred to the account approved on a Payment Request form. For example, if pictures were taken to provide funds for new library books, then the net proceeds (balance in the Picture Account after all remittances to the studio, etc.) should be transferred to the Library Account on Payment Request form.

Some Activity accounts are expected to be revenue producing by the very nature of the accounts. Receipts almost always exceed possible expenditures and the balance in such an account will increase indefinitely unless some disposition is made of the excess revenue; vending machine accounts are an example. As detailed in Section 12.2, vending machine revenue should be transferred, at the option of the principal, to accounts related to the supporters/payers from which the profits were generated or other account for student related purposes.

Occasionally a club will compensate another school organization for goods purchased or services performed. This may occur when a club purchases advertising in the yearbook, newspaper, etc. A transfer of funds shall be made between accounts in such instances in lieu of issuing an Activity Fund Check.

Equally, a club may desire a voluntary donation or contribution to partially defray the expenses incurred by another club in directing a certain activity. In such cases, the contribution shall be effected by an internal transfer of funds.

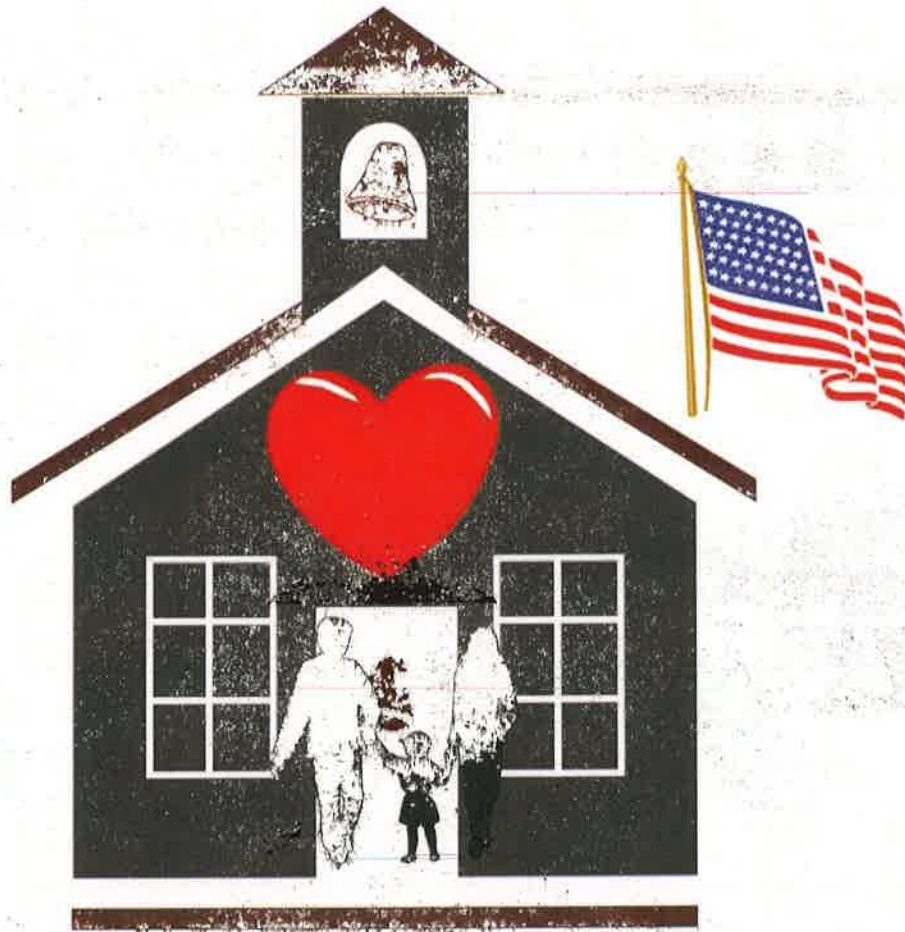
Transfers require the approval in writing of the Principal and club sponsors or account custodians when the transfer involves accounts with delegated responsibilities.

13.2 DOCUMENTATION OF TRANSFERS

Each transfer shall be initiated by preparation of a Payment Request Form disclosing both the amount of and the reason for the transfer. In the section where the check number is entered, the word "**TRANSFER**" must be entered to document the transfer.

When all required approvals have been obtained the necessary journal entries may be posted.

All copies of the Payment Request Forms shall be maintained with the School Activity Fund Records.



APPENDIX A

SANTA MARIA ISD DISTRICT POLICIES

CFD(LOCAL) Activity Funds Management

FJ(LOCAL) Gifts and Solicitations

FMF(LOCAL) Student Activities Contests and Competition

Purchasing Guidelines

Santa Maria ISD
031913

**ACCOUNTING
ACTIVITY FUNDS MANAGEMENT**

Santa Maria ISD
031913

CFD
(LOCAL)

FIDUCIARY RESPONSIBILITY

The Superintendent, principal, and sponsor, as applicable, shall be responsible for the proper administration of District and campus activity funds and student activity funds in accordance with state law and local policy, District-approved accounting practices and procedures, and the TEA *Financial Accountability System Resource Guide*.

STUDENT ACTIVITY FUNDS

The Superintendent or designee shall ensure that student activity accounts are maintained to manage all class funds, organization funds, and any other funds collected from students for a school-related purpose. The principal or designee shall issue receipts for all funds prior to their deposit into the appropriate District account at the District depository.

Student activity funds shall be included in the annual audit of the District's fiscal accounts.
[See CFC]

USE AND EXPENDITURE

Funds collected by student groups shall be used only for purposes authorized by the organization or upon approval of the sponsor. The principal or designee shall approve all disbursements. All funds raised by student organizations must be expended for the benefit of the students.

DISTRICT AND CAMPUS ACTIVITY FUNDS

The Superintendent shall establish regulations governing the expenditure of District and campus activity funds generated from vending machines, rentals, gate receipts, concessions, and other local sources of revenue over which the District has direct control. Funds generated from such sources shall be expended for the benefit of the District or its students and shall be related to the District's educational purpose.

APPROVAL

Approval from the immediate supervisor or designee shall be obtained prior to a disbursement being made to any employee, including the principal.

CARRYOVER FUNDS

All funds shall be left in the appropriate account and each sponsoring group shall retain the carryover funds for the next fiscal year. If an organization ceases to function or exist, the unexpended funds of the organization shall be credited to the appropriate administrative activity account.

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UPDATE 86
CFD(LOCAL)-A

GIFTS AND SOLICITATIONS

FJ
(LOCAL)

SCHOOL-SPONSORED

Fund-raising activities by student groups and/or for school-sponsored projects shall be allowed, with prior administration approval and under the supervision of the project sponsor, for all students.

All fund-raising projects shall be subject to the approval of the principal and the Superintendent.

Student participation in approved fund-raising activities shall not interfere with the regular instructional program. [See EC] Funds raised shall be received, deposited, and disbursed in accordance with CFD(LOCAL).

FOR OUTSIDE ORGANIZATIONS

Students representing their school may participate in charitable institution and community drives. Such participation, which shall be on a strictly voluntary basis and shall not disrupt the regular school day, shall be open to all students.

BY OUTSIDE ORGANIZATIONS

No outside organizations of any sort may solicit contributions of any type from students, within the schools.

LOSS OF CLASS TIME

The collection of monies that takes the time of the students or teachers during school hours is strictly forbidden, unless the monies collected represent payment for school lunches, monies that will benefit the school or its students, or other authorized fees. [See also FP]

The Board shall regularly be informed of approved fund-raising projects and shall periodically review the effect of such activity on the student body, the instructional program, and the community.

**STUDENT ACTIVITIES
CONTESTS AND COMPETITION**

FMF
(LOCAL)

UIL ACTIVITIES

State Board and UIL rules shall govern interscholastic activities; however, Board policies and District rules may supplement State Board and UIL rules.

No event shall be scheduled and no student allowed to participate in any UIL event unless all pertinent rules and regulations are strictly enforced. The Superintendent or designee shall maintain all necessary records and reports. Sponsors and coaches are responsible for knowledge of and compliance with rules for eligibility and participation. [See FM]

**ATHLETIC
PROGRAM**

A well-rounded program of interscholastic athletics shall be maintained in the District secondary schools. The operation of the total program, including the starting and ending dates for each sport, shall be in accordance with regulations set by the UIL and the Board.

Supervision of the program shall be the responsibility of the Superintendent, but certain responsibilities may be delegated to other staff members. In each school, the principal shall have direct responsibility to maintain the athletic program as an integral part of the educational program of that school.

Interschool competitive athletics shall not be part of the elementary grades' program. To the extent practicable, a program of intra-school sports activities for elementary students shall be maintained as part of the physical education program.

NON-UIL ACTIVITIES

Contests and competitive activities that are sponsored by outside organizations shall not be recommended to students unless the activities supplement and do not interfere with the regular school program. Contests and competitive activities shall have the prior approval of the Superintendent or designee, who shall develop the necessary rules and regulations to implement this policy. [See FM]

OVERNIGHT TRIPS

Students involved in UIL competition that requires an overnight trip shall have their expenses paid by the District. [See also FM, FMG]

**SANTA MARIA ISD
REQUIRED PURCHASING GUIDELINES (02/01/2012)**

Amount	Quotes or Proposals	Responsibility	Procedures
1000.00 to 1999.00 Single or multiple	2 written quotes required	Administrator, Principal, Supervisor, Designee	Required on all vendors that don't belong to a Purchasing COOP
2,000.00 to 25,000.00 Per unit cost	3 Written Quotes Required on approved vendors	Administrator, Principal, Supervisor, Designee	Written Quote Sheet must be entirely filled in before a purchase will be approved
.01 to 9999.99	No Quotes required but are recommended for best value – Approved Vendors	Administrator, Principal, Supervisor, Designee	Best Value for District & Use approved vendor list
10000 – 24999.99	Three written quotes required Approved vendors	Administrator, Principal, Supervisor, Designee	Approved Vendors/Deviation from Purchasing COOP's is nonnegotiable
10000 or more	Board approval	Administrator, Principal, Supervisor, Designee	All contracted services
25000 or more cumulative	Board Approval	Business Office/School Board	Competitive Sealed Proposals
Sole Source Vendors			No Sole Source Affidavits will be accepted unless reviewed by the Supt, designee, or Business Office

All Efforts should be made for Board approved vendors, REG I, REG 2, Buyboard and TBPC. Prior to soliciting quotes with unapproved vendors. Must ensure that you reference the Purchasing Coop Contract number on Purchase Order Number.

APPENDIX B

STUDENT ACTIVITY FUND FORMS

FORMS
Tabulation of Monies
Payment Request Form
Texas Sales Tax Exemption Certificate
Hotel Occupancy Tax Exemption Certificate
Conflict of Interest
W-9

SANTA MARIA INDEPENDENT SCHOOL DISTRICT
P.O. BOX 448
SANTA MARIA, TX. 78592
(956) 565-6308 :- FAX (956) 565-0598

EXEMPTION CERTIFICATE

The undersigned hereby claims an exemption from payment of taxes under Chapter 20. Title 122A, Revised Civil Statutes of Texas, for the purchase of the tangible personal property described below or on attached order of invoice, which is made part hereof, and will be purchased from:

The reason said purchaser is claiming this exemption is:

LOCAL EDUCATION AGENCY

The purchaser will be liable for payment of the Limited Sales & Use Tax if the said purchase used the tangible personal property in some other manner or for some other use than the reasons listed above, and shall pay the tax based on the price paid for the tangible personal property.

Description of tangible personal property to be purchased:

Executed this the _____ day of _____, 20_____

Exemption I.D. #: _____ 74-6002267 _____

Authorized Signature: _____

Company Name: _____ Santa Maria Independent School District _____

Street Address: _____ P.O. Box 448 – 11119 Military Rd _____

City/State/Zip Code: _____ Santa Maria, Texas 78592 _____

Request for Taxpayer Identification Number and Certification

Give Form to the
 requester. Do not
 send to the IRS.

Print or type
 See Specific Instructions on page 2

Name (as shown on your income tax return)	
Business name/disregarded entity name, if different from above	
Check appropriate box for federal tax classification: <input type="checkbox"/> Individual/sole proprietor <input type="checkbox"/> C Corporation <input type="checkbox"/> S Corporation <input type="checkbox"/> Partnership <input type="checkbox"/> Trust/estate <input type="checkbox"/> Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=partnership) ▶ _____ <input type="checkbox"/> Other (see instructions) ▶ _____	
<input type="checkbox"/> Exempt payee	
Address (number, street, and apt. or suite no.)	Requester's name and address (optional)
City, state, and ZIP code	
List account number(s) here (optional)	

Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on the "Name" line to avoid backup withholding. For individuals, this is your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the Part I instructions on page 3. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN* on page 3.

Note. If the account is in more than one name, see the chart on page 4 for guidelines on whose number to enter.

Social security number									
<table border="1" style="width: 100%; height: 20px;"> <tr> <td style="width: 25%;"></td> <td style="width: 25%;"></td> <td style="width: 25%;"></td> <td style="width: 25%;"></td> </tr> </table>					<table border="1" style="width: 100%; height: 20px;"> <tr> <td style="width: 25%;"></td> <td style="width: 25%;"></td> <td style="width: 25%;"></td> <td style="width: 25%;"></td> </tr> </table>				
Employer identification number									
<table border="1" style="width: 100%; height: 20px;"> <tr> <td style="width: 25%;"></td> <td style="width: 25%;"></td> <td style="width: 25%;"></td> <td style="width: 25%;"></td> </tr> </table>					<table border="1" style="width: 100%; height: 20px;"> <tr> <td style="width: 25%;"></td> <td style="width: 25%;"></td> <td style="width: 25%;"></td> <td style="width: 25%;"></td> </tr> </table>				

Part II Certification

Under penalties of perjury, I certify that:

- The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me), and
- I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding, and
- I am a U.S. citizen or other U.S. person (defined below).

Certification instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN. See the instructions on page 4.

Sign Here	Signature of U.S. person ▶	Date ▶
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General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

Purpose of Form

A person who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) to report, for example, income paid to you, real estate transactions, mortgage interest you paid, acquisition or abandonment of secured property, cancellation of debt, or contributions you made to an IRA.

Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN to the person requesting it (the requester) and, when applicable, to:

- Certify that the TIN you are giving is correct (or you are waiting for a number to be issued).
- Certify that you are not subject to backup withholding, or
- Claim exemption from backup withholding if you are a U.S. exempt payee. If applicable, you are also certifying that as a U.S. person, your allocable share of any partnership income from a U.S. trade or business is not subject to the withholding tax on foreign partners' share of effectively connected income.

Note. If a requester gives you a form other than Form W-9 to request your TIN, you must use the requester's form if it is substantially similar to this Form W-9.

Definition of a U.S. person. For federal tax purposes, you are considered a U.S. person if you are:

- An individual who is a U.S. citizen or U.S. resident alien,
- A partnership, corporation, company, or association created or organized in the United States or under the laws of the United States,
- An estate (other than a foreign estate), or
- A domestic trust (as defined in Regulations section 301.7701-7).

Special rules for partnerships. Partnerships that conduct a trade or business in the United States are generally required to pay a withholding tax on any foreign partners' share of income from such business. Further, in certain cases where a Form W-9 has not been received, a partnership is required to presume that a partner is a foreign person, and pay the withholding tax. Therefore, if you are a U.S. person that is a partner in a partnership conducting a trade or business in the United States, provide Form W-9 to the partnership to establish your U.S. status and avoid withholding on your share of partnership income.

The person who gives Form W-9 to the partnership for purposes of establishing its U.S. status and avoiding withholding on its allocable share of net income from the partnership conducting a trade or business in the United States is in the following cases:

- The U.S. owner of a disregarded entity and not the entity,
- The U.S. grantor or other owner of a grantor trust and not the trust, and
- The U.S. trust (other than a grantor trust) and not the beneficiaries of the trust.

Foreign person. If you are a foreign person, do not use Form W-9. Instead, use the appropriate Form W-8 (see Publication 515, Withholding of Tax on Nonresident Aliens and Foreign Entities).

Nonresident alien who becomes a resident alien. Generally, only a nonresident alien individual may use the terms of a tax treaty to reduce or eliminate U.S. tax on certain types of income. However, most tax treaties contain a provision known as a "saving clause." Exceptions specified in the saving clause may permit an exemption from tax to continue for certain types of income even after the payee has otherwise become a U.S. resident alien for tax purposes.

If you are a U.S. resident alien who is relying on an exception contained in the saving clause of a tax treaty to claim an exemption from U.S. tax on certain types of income, you must attach a statement to Form W-9 that specifies the following five items:

1. The treaty country. Generally, this must be the same treaty under which you claimed exemption from tax as a nonresident alien.
2. The treaty article addressing the income.
3. The article number (or location) in the tax treaty that contains the saving clause and its exceptions.
4. The type and amount of income that qualifies for the exemption from tax.
5. Sufficient facts to justify the exemption from tax under the terms of the treaty article.

Example. Article 20 of the U.S.-China income tax treaty allows an exemption from tax for scholarship income received by a Chinese student temporarily present in the United States. Under U.S. law, this student will become a resident alien for tax purposes if his or her stay in the United States exceeds 5 calendar years. However, paragraph 2 of the first Protocol to the U.S.-China treaty (dated April 30, 1984) allows the provisions of Article 20 to continue to apply even after the Chinese student becomes a resident alien of the United States. A Chinese student who qualifies for this exception (under paragraph 2 of the first protocol) and is relying on this exception to claim an exemption from tax on his or her scholarship or fellowship income would attach to Form W-9 a statement that includes the information described above to support that exemption.

If you are a nonresident alien or a foreign entity not subject to backup withholding, give the requester the appropriate completed Form W-8.

What is backup withholding? Persons making certain payments to you must under certain conditions withhold and pay to the IRS a percentage of such payments. This is called "backup withholding." Payments that may be subject to backup withholding include interest, tax-exempt interest, dividends, broker and barter exchange transactions, rents, royalties, nonemployee pay, and certain payments from fishing boat operators. Real estate transactions are not subject to backup withholding.

You will not be subject to backup withholding on payments you receive if you give the requester your correct TIN, make the proper certifications, and report all your taxable interest and dividends on your tax return.

Payments you receive will be subject to backup withholding if:

1. You do not furnish your TIN to the requester,
2. You do not certify your TIN when required (see the Part II instructions on page 3 for details),
3. The IRS tells the requester that you furnished an incorrect TIN,
4. The IRS tells you that you are subject to backup withholding because you did not report all your interest and dividends on your tax return (for reportable interest and dividends only), or
5. You do not certify to the requester that you are not subject to backup withholding under 4 above (for reportable interest and dividend accounts opened after 1983 only).

Certain payees and payments are exempt from backup withholding. See the instructions below and the separate instructions for the Requester of Form W-9.

Also see *Special rules for partnerships* on page 1.

Updating Your Information

You must provide updated information to any person to whom you claimed to be an exempt payee if you are no longer an exempt payee and anticipate receiving reportable payments in the future from this person. For example, you may need to provide updated information if you are a C corporation that elects to be an S corporation, or if you no longer are tax exempt. In addition, you must furnish a new Form W-9 if the name or TIN changes for the account, for example, if the grantor of a grantor trust dies.

Penalties

Failure to furnish TIN. If you fail to furnish your correct TIN to a requester, you are subject to a penalty of \$50 for each such failure unless your failure is due to reasonable cause and not to willful neglect.

Civil penalty for false information with respect to withholding. If you make a false statement with no reasonable basis that results in no backup withholding, you are subject to a \$500 penalty.

Criminal penalty for falsifying information. Willfully falsifying certifications or affirmations may subject you to criminal penalties including fines and/or imprisonment.

Abuse of TINs. If the requester discloses or uses TINs in violation of federal law, the requester may be subject to civil and criminal penalties.

Specific Instructions

Name

If you are an individual, you must generally enter the name shown on your income tax return. However, if you have changed your last name, for instance, due to marriage without informing the Social Security Administration of the name change, enter your first name, the last name shown on your social security card, and your new last name.

If the account is in joint names, list first, and then circle, the name of the person or entity whose number you entered in Part I of the form.

Sole proprietor. Enter your individual name as shown on your income tax return on the "Name" line. You may enter your business, trade, or "doing business as (DBA)" name on the "Business name/disregarded entity name" line.

Partnership, C Corporation, or S Corporation. Enter the entity's name on the "Name" line and any business, trade, or "doing business as (DBA) name" on the "Business name/disregarded entity name" line.

Disregarded entity. Enter the owner's name on the "Name" line. The name of the entity entered on the "Name" line should never be a disregarded entity. The name on the "Name" line must be the name shown on the income tax return on which the income will be reported. For example, if a foreign LLC that is treated as a disregarded entity for U.S. federal tax purposes has a domestic owner, the domestic owner's name is required to be provided on the "Name" line. If the direct owner of the entity is also a disregarded entity, enter the first owner that is not disregarded for federal tax purposes. Enter the disregarded entity's name on the "Business name/disregarded entity name" line. If the owner of the disregarded entity is a foreign person, you must complete an appropriate Form W-8.

Note. Check the appropriate box for the federal tax classification of the person whose name is entered on the "Name" line (Individual/sole proprietor, Partnership, C Corporation, S Corporation, Trust/estate).

Limited Liability Company (LLC). If the person identified on the "Name" line is an LLC, check the "Limited liability company" box only and enter the appropriate code for the tax classification in the space provided. If you are an LLC that is treated as a partnership for federal tax purposes, enter "P" for partnership. If you are an LLC that has filed a Form 8832 or a Form 2553 to be taxed as a corporation, enter "C" for C corporation or "S" for S corporation. If you are an LLC that is disregarded as an entity separate from its owner under Regulation section 301.7701-3 (except for employment and excise tax), do not check the LLC box unless the owner of the LLC (required to be identified on the "Name" line) is another LLC that is not disregarded for federal tax purposes. If the LLC is disregarded as an entity separate from its owner, enter the appropriate tax classification of the owner identified on the "Name" line.

Other entities. Enter your business name as shown on required federal tax documents on the "Name" line. This name should match the name shown on the charter or other legal document creating the entity. You may enter any business, trade, or DBA name on the "Business name/disregarded entity name" line.

Exempt Payee

If you are exempt from backup withholding, enter your name as described above and check the appropriate box for your status, then check the "Exempt payee" box in the line following the "Business name/disregarded entity name," sign and date the form.

Generally, individuals (including sole proprietors) are not exempt from backup withholding. Corporations are exempt from backup withholding for certain payments, such as interest and dividends.

Note. If you are exempt from backup withholding, you should still complete this form to avoid possible erroneous backup withholding.

The following payees are exempt from backup withholding:

1. An organization exempt from tax under section 501(a), any IRA, or a custodial account under section 403(b)(7) if the account satisfies the requirements of section 401(f)(2),
2. The United States or any of its agencies or instrumentalities,
3. A state, the District of Columbia, a possession of the United States, or any of their political subdivisions or instrumentalities,
4. A foreign government or any of its political subdivisions, agencies, or instrumentalities, or
5. An international organization or any of its agencies or instrumentalities.

Other payees that may be exempt from backup withholding include:

6. A corporation,
7. A foreign central bank of issue,
8. A dealer in securities or commodities required to register in the United States, the District of Columbia, or a possession of the United States,
9. A futures commission merchant registered with the Commodity Futures Trading Commission,
10. A real estate investment trust,
11. An entity registered at all times during the tax year under the Investment Company Act of 1940,
12. A common trust fund operated by a bank under section 584(a),
13. A financial institution,
14. A middleman known in the investment community as a nominee or custodian, or
15. A trust exempt from tax under section 664 or described in section 4947.

The following chart shows types of payments that may be exempt from backup withholding. The chart applies to the exempt payees listed above, 1 through 15.

IF the payment is for . . .	THEN the payment is exempt for . . .
Interest and dividend payments	All exempt payees except for 9
Broker transactions	Exempt payees 1 through 5 and 7 through 13. Also, C corporations.
Barter exchange transactions and patronage dividends	Exempt payees 1 through 5
Payments over \$600 required to be reported and direct sales over \$5,000 ¹	Generally, exempt payees 1 through 7 ²

¹ See Form 1099-MISC, Miscellaneous Income, and its instructions.

² However, the following payments made to a corporation and reportable on Form 1099-MISC are not exempt from backup withholding: medical and health care payments, attorneys' fees, gross proceeds paid to an attorney, and payments for services paid by a federal executive agency.

Part I. Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. If you are a resident alien and you do not have and are not eligible to get an SSN, your TIN is your IRS individual taxpayer identification number (ITIN). Enter it in the social security number box. If you do not have an ITIN, see *How to get a TIN* below.

If you are a sole proprietor and you have an EIN, you may enter either your SSN or EIN. However, the IRS prefers that you use your SSN.

If you are a single-member LLC that is disregarded as an entity separate from its owner (see *Limited Liability Company (LLC)* on page 2), enter the owner's SSN (or EIN, if the owner has one). Do not enter the disregarded entity's EIN. If the LLC is classified as a corporation or partnership, enter the entity's EIN.

Note. See the chart on page 4 for further clarification of name and TIN combinations.

How to get a TIN. If you do not have a TIN, apply for one immediately. To apply for an SSN, get Form SS-5, Application for a Social Security Card, from your local Social Security Administration office or get this form online at www.ssa.gov. You may also get this form by calling 1-800-772-1213. Use Form W-7, Application for IRS Individual Taxpayer Identification Number, to apply for an ITIN, or Form SS-4, Application for Employer Identification Number, to apply for an EIN. You can apply for an EIN online by accessing the IRS website at www.irs.gov/businesses and clicking on Employer Identification Number (EIN) under Starting a Business. You can get Forms W-7 and SS-4 from the IRS by visiting IRS.gov or by calling 1-800-TAX-FORM (1-800-829-3676).

If you are asked to complete Form W-9 but do not have a TIN, write "Applied For" in the space for the TIN, sign and date the form, and give it to the requester. For interest and dividend payments, and certain payments made with respect to readily tradable instruments, generally you will have 60 days to get a TIN and give it to the requester before you are subject to backup withholding on payments. The 60-day rule does not apply to other types of payments. You will be subject to backup withholding on all such payments until you provide your TIN to the requester.

Note. Entering "Applied For" means that you have already applied for a TIN or that you intend to apply for one soon.

Caution: A disregarded domestic entity that has a foreign owner must use the appropriate Form W-8.

Part II. Certification

To establish to the withholding agent that you are a U.S. person, or resident alien, sign Form W-9. You may be requested to sign by the withholding agent even if item 1, below, and items 4 and 5 on page 4 indicate otherwise.

For a joint account, only the person whose TIN is shown in Part I should sign (when required). In the case of a disregarded entity, the person identified on the "Name" line must sign. Exempt payees, see *Exempt Payee* on page 3.

Signature requirements. Complete the certification as indicated in items 1 through 3, below, and items 4 and 5 on page 4.

1. Interest, dividend, and barter exchange accounts opened before 1984 and broker accounts considered active during 1983. You must give your correct TIN, but you do not have to sign the certification.

2. Interest, dividend, broker, and barter exchange accounts opened after 1983 and broker accounts considered inactive during 1983. You must sign the certification or backup withholding will apply. If you are subject to backup withholding and you are merely providing your correct TIN to the requester, you must cross out item 2 in the certification before signing the form.

3. Real estate transactions. You must sign the certification. You may cross out item 2 of the certification.

4. Other payments. You must give your correct TIN, but you do not have to sign the certification unless you have been notified that you have previously given an incorrect TIN. "Other payments" include payments made in the course of the requester's trade or business for rents, royalties, goods (other than bills for merchandise), medical and health care services (including payments to corporations), payments to a nonemployee for services, payments to certain fishing boat crew members and fishermen, and gross proceeds paid to attorneys (including payments to corporations).

5. Mortgage interest paid by you, acquisition or abandonment of secured property, cancellation of debt, qualified tuition program payments (under section 529), IRA, Coverdell ESA, Archer MSA or HSA contributions or distributions, and pension distributions. You must give your correct TIN, but you do not have to sign the certification.

Note. If no name is circled when more than one name is listed, the number will be considered to be that of the first name listed.

Secure Your Tax Records from Identity Theft

Identity theft occurs when someone uses your personal information such as your name, social security number (SSN), or other identifying information, without your permission, to commit fraud or other crimes. An identity thief may use your SSN to get a job or may file a tax return using your SSN to receive a refund.

To reduce your risk:

- Protect your SSN,
- Ensure your employer is protecting your SSN, and
- Be careful when choosing a tax preparer.

If your tax records are affected by identity theft and you receive a notice from the IRS, respond right away to the name and phone number printed on the IRS notice or letter.

If your tax records are not currently affected by identity theft but you think you are at risk due to a lost or stolen purse or wallet, questionable credit card activity or credit report, contact the IRS Identity Theft Hotline at 1-800-908-4490 or submit Form 14039.

For more information, see Publication 4535, Identity Theft Prevention and Victim Assistance.

Victims of identity theft who are experiencing economic harm or a system problem, or are seeking help in resolving tax problems that have not been resolved through normal channels, may be eligible for Taxpayer Advocate Service (TAS) assistance. You can reach TAS by calling the TAS toll-free case intake line at 1-877-777-4778 or TTY/TDD 1-800-829-4059.

Protect yourself from suspicious emails or phishing schemes. Phishing is the creation and use of email and websites designed to mimic legitimate business emails and websites. The most common act is sending an email to a user falsely claiming to be an established legitimate enterprise in an attempt to scam the user into surrendering private information that will be used for identity theft.

The IRS does not initiate contacts with taxpayers via emails. Also, the IRS does not request personal detailed information through email or ask taxpayers for the PIN numbers, passwords, or similar secret access information for their credit card, bank, or other financial accounts.

If you receive an unsolicited email claiming to be from the IRS, forward this message to phishing@irs.gov. You may also report misuse of the IRS name, logo, or other IRS property to the Treasury Inspector General for Tax Administration at 1-800-366-4484. You can forward suspicious emails to the Federal Trade Commission at: spam@uce.gov or contact them at www.ftc.gov/idtheft or 1-877-IDTHEFT (1-877-438-4338).

Visit IRS.gov to learn more about identity theft and how to reduce your risk.

What Name and Number To Give the Requester

For this type of account:	Give name and SSN of:
1. Individual	The individual
2. Two or more individuals (joint account)	The actual owner of the account or, if combined funds, the first individual on the account ¹
3. Custodian account of a minor (Uniform Gift to Minors Act)	The minor ²
4. a. The usual revocable savings trust (grantor is also trustee)	The grantor-trustee ³
b. So-called trust account that is not a legal or valid trust under state law	The actual owner ⁴
5. Sole proprietorship or disregarded entity owned by an individual	The owner ⁴
6. Grantor trust filing under Optional Form 1099 Filing Method 1 (see Regulation section 1.671-4(b)(2)(i)(A))	The grantor ⁴
For this type of account:	Give name and EIN of:
7. Disregarded entity not owned by an individual	The owner
8. A valid trust, estate, or pension trust	Legal entity ⁴
9. Corporation or LLC electing corporate status on Form 8832 or Form 2553	The corporation
10. Association, club, religious, charitable, educational, or other tax-exempt organization	The organization
11. Partnership or multi-member LLC	The partnership
12. A broker or registered nominee	The broker or nominee
13. Account with the Department of Agriculture in the name of a public entity (such as a state or local government, school district, or prison) that receives agricultural program payments	The public entity
14. Grantor trust filing under the Form 1041 Filing Method or the Optional Form 1099 Filing Method 2 (see Regulation section 1.671-4(b)(2)(i)(B))	The trust

¹ List first and circle the name of the person whose number you furnish. If only one person on a joint account has an SSN, that person's number must be furnished.

² Circle the minor's name and furnish the minor's SSN.

³ You must show your individual name and you may also enter your business or "DBA" name on the "Business name/disregarded entity" name line. You may use either your SSN or EIN (if you have one), but the IRS encourages you to use your SSN.

⁴ List first and circle the name of the trust, estate, or pension trust. (Do not furnish the TIN of the personal representative or trustee unless the legal entity itself is not designated in the account title.) Also see *Special rules for partnerships* on page 1.

*Note. Grantor also must provide a Form W-9 to trustee of trust.

Privacy Act Notice

Section 6109 of the Internal Revenue Code requires you to provide your correct TIN to persons (including federal agencies) who are required to file information returns with the IRS to report interest, dividends, or certain other income paid to you; mortgage interest you paid; the acquisition or abandonment of secured property; the cancellation of debt; or contributions you made to an IRA, Archer MSA, or HSA. The person collecting this form uses the information on the form to file information returns with the IRS, reporting the above information. Routine uses of this information include giving it to the Department of Justice for civil and criminal litigation and to cities, states, the District of Columbia, and U.S. possessions for use in administering their laws. The information also may be disclosed to other countries under a treaty, to federal and state agencies to enforce civil and criminal laws, or to federal law enforcement and intelligence agencies to combat terrorism. You must provide your TIN whether or not you are required to file a tax return. Under section 3406, payers must generally withhold a percentage of taxable interest, dividend, and certain other payments to a payee who does not give a TIN to the payer. Certain penalties may also apply for providing false or fraudulent information.

TEXAS HOTEL OCCUPANCY TAX EXEMPTION CERTIFICATE



NOTE: This certificate is for business only, not to be used for private purposes, under penalty of law. The hotel operator may request a government ID, business card or other identification to verify exemption claimed. Certificate should be furnished to the hotel or motel. DO NOT send the completed certificate to the Comptroller of Public Accounts. The certificate does not require a number to be valid. Refer to Hotel Rule 3.161 for exemptions.

Check exemption claimed:

- United States government or Texas government official exempt from state, city, and county taxes.** Includes US government agencies and its employees traveling on official business, Texas state officials or employees who present a Hotel Tax Exemption Photo Identification Card, and diplomatic personnel of a foreign government who present a Tax Exemption Card issued by the US Department of State.
- Religious, charitable, or educational organization or employee exempt from state tax only.** Educational organizations include school districts, private or public elementary and secondary schools, and Texas institutions of higher education as defined in Section 61.003, Texas Education Code. Beginning October 1, 2003, non-Texas institutions of higher education (public and private universities, junior colleges, community colleges) must pay the state hotel occupancy tax. Religious and charitable organizations must hold a letter of exemption issued by the Comptroller of Public Accounts to claim the exemption.
- Other. Organization exempt by law other than Chapter 156, Tax Code.** Specify reason for exempt status below. **Supporting Documentation Required.**

Name of exempt organization SANTA MARIA ISD	Organization exempt status (<i>Religious, charitable, educational, governmental</i>) EDUCATIONAL
Address of exempt organization (<i>Street and number, city, state, ZIP code</i>) P.O. BOX 448, SANTA MARIA, TEXAS 78592	

GUEST CERTIFICATION: I declare that I am an occupant of this hotel/motel on official business sanctioned by the exempt organization named above and that all information shown on this document is true and correct.

Guest name (*Please print*)

	Date
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FOR HOTEL/MOTEL USE ONLY (OPTIONAL)

Name of hotel/motel				
Address of hotel/motel (<i>Street and number, city, state, ZIP code</i>)				
Room rate	Local tax	Exempt state tax	Amount paid by guest	Method of payment

You have certain rights under Chapters 552 and 559, Government Code, to review, request and correct information we have on file about you. To review or correct your state tax-related information, contact the Texas State Comptroller's office.

Hotels may require verification before accepting a hotel occupancy tax exemption certificate. An organization may qualify for hotel occupancy tax exemption even when it does not have a Comptroller's letter of hotel tax exemption or cannot be found on the Comptroller's list of exempt organizations. Some examples include churches, public schools and community colleges.

You may need to pay the tax until verification of hotel tax exemption can be obtained from the Comptroller's office. You can apply to the hotel for a refund or credit.

A list of charitable, educational, religious and other organizations that are exempt from state and/or local hotel tax is online at http://window.state.tx.us/taxinfo/exempt/exempt_search.html. Other information about Texas tax exemptions, including applications, is online at <http://window.state.tx.us/taxinfo/exempt/index.html>.

You can also send an e-mail to exempt.orgs@cpa.state.tx.us or call (800) 252-1385.