

Wharton Independent School District



2024 - 2025
Financial Procedures Manual

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Financial Procedures Manual Receipt

Name: _____

Campus/Department: _____

I hereby acknowledge receipt of a copy of the 2024-2025 Wharton ISD Financial Procedures Manual. I agree to read the manual and abide by the standards, policies, and procedures defined or referenced in this document.

The information in the manual is subject to change. I understand that changes in District policies may supersede, modify, or render obsolete the information summarized in this manual. As the District provides updated policy information, I accept responsibility for reading and abiding by the changes.

I understand that I have an obligation and a primary role in upholding the integrity of the management of District funds.

Signature: _____

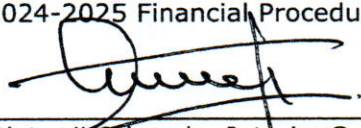
Date: _____

Approval

In accordance with School Board Policy, BP Local, the Superintendent and administrative staff shall be responsible for developing and enforcing procedures for the operation of the district. These procedures shall constitute the administrative regulations of the District and shall consist of guidelines, handbooks, manuals, forms, and any other documents defining standard operating procedures.

The Superintendent shall approve this Financial Administrative Procedures Manual, as appropriate, if district, federal, state, or local changes in regulations or policy warrant immediate changes. Administrative regulations (procedures) are subject to Board review, but shall not be adopted by the Board.

2024-2025 Financial Procedures Manual / State & Federal Programs Manual Approved by:


_____ On 07/23/24.

Olatunji Oduwole, Interim Superintendent

Introduction

Wharton Independent School District is committed to being good stewards of taxpayer dollars and ensuring all students have available resources needed to be successful. The Finance Department of Wharton ISD is committed to the efficient and legal use of resources, as well as customer service; therefore, this procedures manual provides guidance to employees on a variety of financial topics.

This handbook is intended for use as a reference manual for administrators, secretaries, directors, supervisors, and other staff members with budgetary and/or financial responsibilities.

These financial procedures are published in an effort to ensure the district's compliance with board policy and generally accepted accounting procedures. If a conflict exists between board policy and these procedures, board policy will prevail.

Ethics

Responsibility for financial affairs rests in the prudence and integrity in the management of the district funds in employees' custody and in all financial transactions. The responsibility lies not only in the Administrative Office employee functions, but also with each individual employee that purchases products or services on behalf of the district, or is paid a salary for the performance of duties. District employees shall be sensitive and responsive to the rights of the public and its changing needs. District employees shall exhibit loyalty and trust in the financial affairs and interests of the government that they serve, and shall not knowingly be a party to or condone any illegal or improper financial activity. District employees shall not use public property or resources for personal gain.

Gift of Public Funds

Article III, Sections 51-53 of the Texas Constitution prohibits the gift or loaning of public funds. What are Public Funds? Public funds are "moneys belonging to the government, or any department of it in the hands of a public official" (Black's Law Dictionary 856, 6th ed. 1991). In summary, public funds are any funds from taxes or fees imposed by a governmental entity to raise revenues and any funds under the control of a governmental entity.

Public Purpose of the Statute: The Three-Step Test:

- (1) To accomplish a public purpose, not to benefit private parties;
- (2) To retain public control over the funds to ensure that the public purpose is accomplished; and
- (3) To protect the public's investment and ensure that the political subdivision receives a return benefit.
- (4) To protect the public's investment and ensure that the political subdivision receives a return benefit.

Some examples of gifts of public funds, including but not limited to, that are not allowed are:

- 1) Advances of payroll (This is the giving or lending of the credit of a political subdivision, which is expressly prohibited in the Texas Constitution, Article III, section 50);
- 2) Issuing a district purchase order for employee personal purchases. (This gives the employee the district discounts and/or tax exemption for which they might not otherwise be entitled to);
- 3) Purchase of gift cards with district credit cards;
- 4) The use of school employees to construct or maintain the real or personal property of a public servant constitutes the misapplication of public resources {Texas Penal Code, Section 39.02}.
- 5) Providing "release time" for the benefit of professional organizations is a gift of public funds {Opinion of Tex. Attorney Gen. No. MW-89 (1979)}. This does not apply to developmental leave because it gives the public better-trained employees, and may be approved under Texas Education Code section 21.452;
- 6) Awards in excess of \$50 to encourage student attendance, achievement, or other performance; and
- 7) School boards must approve expenditures of public funds ahead of time to allow for a determination that the expenditure would serve a public purpose. After the fact reimbursements are not allowed.

Fraud Prevention

Financial fraud is the intentional misrepresentation of material existing fact made by one person to another with knowledge of its falsity and for the purpose of inducing the other person to act, and upon which the other person relies with resulting district financial injury or damage. Wharton ISD is committed to the prevention of financial fraud. Employees are expected to handle district property and resources with the utmost care of a reasonably prudent person. Employees may observe financial activity in their environment that may need to be investigated. Therefore, employees are encouraged to report any observations of potential financial impropriety to their immediate supervisor. In the event that the employee would prefer to report their observations to someone other than their immediate supervisor, employees are encouraged to contact the CFO.

Some examples of financial fraud include:

- 1) Using school equipment, supplies or materials for personal use or to benefit an organization other than Wharton ISD;
- 2) Intentionally altering a government record so that the record is not fact;
- 3) Intentionally writing the wrong date on a receiving record so that the expense is recorded in a different fiscal period than it would have been if it were the correct date; and/or
- 4) Not depositing cash into the bank account when received (i.e. using the cash for a temporary personal loan, and paying it back on pay day).

Non-Compliance

Extenuating circumstances or items of non-compliance, if any, should be forwarded to the Chief Financial Officer for review and approval.

Financial Services Team

Title	Name	E-Mail
Business Manager	Cheryl Hooper	chooper@whartonisd.net
Accounts Payable / Bookkeeping	Audrey Herrera	aherrera@whartonisd.net
Payroll Specialist	Jo Ann Morton	jmorton@whartonisd.net
PEIMS	Rickie Babcock	rbabcock@whartonisd.net
Accounts Payable	Mary Perrin	mperrin@whartonisd.net

General Financial Management

Retention of Records

All financial records for the current fiscal year shall be retained for audit purposes in accordance with the district's records retention schedule which is established by the Texas State Library and Archives Commission. All financial records, including grant related documents, will be retained for a minimum of five years from the end of the fiscal year (2 CFR §200.333).

Fiscal Year

The fiscal year begins on July 1 and ends on June 30. All goods and/or services received and invoiced during these dates must be paid from current fiscal year funds. If items are not received until the next fiscal year, it must be paid from that fiscal year.

Journal Entries

All general ledger entries shall be in balance (debits shall equal credits) with the exception of the year-end adjustments. The journal entry feature of the financial management system should be utilized to post entries to the books and supporting documents should be attached electronically to the data entry. The Bookkeeper is authorized to create journal entries and the Chief Financial Officer are authorized to post journal entries to the general ledger.

Segregation of Duties

At a minimum, the Financial Services team shall operate under a segregation of duties, including, but not limited to, the following:

- Endorsement of checks: The Business Manager must approve accounts payable and payroll registers before checks may be distributed.
- Bank reconciliation: The same team member shall not solely prepare cash disbursements, cash deposits, or other cash transactions and reconcile the district's bank accounts.
- Contract management: The same team member shall not approve a contract for goods or services and solely disburse the payment for said goods or services.

Data System Security and Access

Financial Services team members handles and/or processes a substantial amount of confidential information. All members are strictly prohibited from revealing confidential information to any unauthorized individual. The district shall make all grant-related records available for access to the federal granting agency and/or pass-through entity upon request.

The Financial Services team members are authorized to access the district's financial and/or payroll system(s) for job-related purposes only. Use of the systems for personal reasons or benefit will result in disciplinary action, up to and including employment termination.

Each team member shall take appropriate steps to ensure that their respective computer system is managed in a controlled environment to prevent unauthorized access. At no time (including lunch breaks) shall a computer system be logged in to a financial data system and the desktop unlocked while unattended by the respective staff member.

Assignment of Access and Passwords

Access to data systems shall be based on the specific job duties and responsibilities of each staff member. Except for limited reasons, staff will not be given unilateral access to all modules in the financial and payroll system. For example, a payroll staff member should not have access to the human resources system unless the access is limited in scope and "read-only". These restrictions to unilateral access are designed to prevent complete autonomy which could lead to fraud.

Each team member shall be responsible for securing their assigned (selected) password. At no time shall passwords be shared with others or posted in visible locations within the member's work space. Violators of this restriction shall be subject to disciplinary action, including but not limited to employment termination.

Data systems access to the authorized modules shall be determined by the Business Manager and in some instances the Director of Technology. Each staff member shall have access to their respective database(s) and tabs within a database based on their position. Security roles will be established and assigned with the specific access to each module. In the event that a staff member gains access, due to a human or software error, that he/she is not entitled to, it is the responsibility and duty of the staff member to notify the Security Administrator (Business Manager) regarding the ability to access the restricted database or module.

Revoking Access

Access to data systems are subject to change and/or revocation when changes occur to a staff member's position, duties or responsibilities. Access to data systems are also subject to revocation when a staff member violates these regulations.

State and Federal Grants Management

Procedures related to state and federal grants management are maintained by the Special Programs Department and may be found in the Federal Grants Manual which has been included with this Financial Procedures Manual as an appendix.

Timeline of Major Finance-Related Events

July	1: Beginning of the fiscal year. 1: Budget available. 30: Prior Year Accounts Payable Deadline
January	31 Deadline for regular school year purchases. Original budget unavailable after this date. (Special allocations will be made for summer programs)
February	Budget allocations distributed for following year's budget development. Begin preparing summer program budget requests

- March** District Improvement Plan presented to Board for approval. Campus Improvement Plan development being finalized for following year.
Note: Your CIP should drive 100% of your budget requests (including personnel FTEs).
- Accounts Payable begins finalizing current year purchases.
- Budget requests for following year due back to Business Manager.
- April 1** Finalize summer program budget requests & submit to Deputy Supt.
- June 1** Last day to submit purchase requests for summer programs. Summer program budget unavailable after this date.
- June 30** End of fiscal year.
 Items not received on or before this day will be charged to current year budget.

Personal Property Located in District

Wharton ISD employees are welcome to bring personal property to work subject to the review and approval of their supervisor and/or the Superintendent. Any personal items are brought into the district at the employee's risk. Wharton ISD assumes no liability for damages incurred to personal property and has interpreted the replacement of personal items as a gift of public funds. WISD property insurance is maintained for WISD-owned property only.

Purchasing

The goal of purchasing procedures is to ensure a systematic process to review and approve the purchase of goods and services in compliance with federal grants requirements, state law, Board Policy, and local procedures. Wharton ISD utilizes a decentralized method of purchasing.

Purchase Order Approval Authority

The Superintendent has delegated the Business Manager to approve all purchases that are less than \$50,000.

The Board of Trustees retains the authority to approve all contracts for the purchase of goods or services for any single purchase that exceeds \$50,000 [School Board Policy CH (Local)].

Statutes, Regulations, and Board Policies Applicable to Purchasing

The District shall comply with all Texas laws, regulations, and Attorney General Opinions related to the purchasing of goods and services. The District shall comply with all local policies and procedures, such as School Board Policy CH (Local) and these written purchasing procedures. When a conflict arises between federal regulations, state law, and local policy, the strictest rules shall apply.

All relevant statutes, regulations, board policies and procedures shall be made available to all purchasing stakeholders, as appropriate, in a paper or electronic format.

Purchasing Deadlines

In an effort to maximize the use of budgeted funds during the current fiscal year, the purchasing deadline for supplies and equipment should be January 31st. Summer needs for staff development and summer school should be anticipated and ordered prior to June 1st. Purchase documents for services and travel should be submitted by January 31st. At times, the purchasing deadlines for state or federal grants may be earlier than the deadlines stated above due to grant ending dates. Refer to the grants manual for more information related to purchasing with grants.

Requisition and Purchase Order Processing

On-Line Requisition System

The district shall use an on-line requisition system for all purchases. The electronic system allows users to enter purchase requests electronically, verify account balances, select pre-approved vendors, etc. at the point of data entry.

The Business Manager shall create all requisition system users/approvers and assign the appropriate account code(s).

The Business Manager shall create all of the requisition approval paths.

Purchase Requisitions

Requisitions are internal documents and should not be forwarded to a vendor to place an order.

All requisitions from grant funds (state/federal) shall comply with the TEA Guidelines for Related Costs and the State & Federal Grants Handbook.

The requestor (and/or the campus secretary/bookkeeper) shall "submit" a purchase requisition using the on-line requisition system. If the vendor that the requestor intends to purchase from does not exist in the vendor database, the requestor shall follow the Adding and/or Renewing Vendors Procedures located at the end of this section. If the account code(s) that the requestor intends to purchase with does not have sufficient funds, the requestors shall complete a budget transfer in the software system.

Budget codes must be noted on all requisitions in compliance with the required accounting code structure found in the Financial Accounting & Reporting Module of the Financial Accountability System Resource Guide (FASRG).

Commodity codes (procurement categories) shall be noted on each line item of the requisition. The Administrative Assistant shall be contacted and provide assistance should there be confusion as to which is appropriate. Requisitions will not be approved without commodity codes.

The requestor shall forward all original requisitions and attachments such as order forms, registration forms, or other special instructions via email or inter-office mail. The attachment(s) shall include the system generated requisition number. If the requisition is for travel, follow the Travel Procedures. If the requisition is for a field trip, Co-Curricular, or Extracurricular trip, follow the Student Travel Procedures. If the requisition is for the purchase of food and non-food items, follow the Food and Non-Food Purchase Procedures. If the requisition is for professional services, follow the Contract Management Procedures. If the requisition is for incentives and/or awards for staff or students, follow the Staff and Student Incentive & Award Procedures.

Requisitions receive a three or four step approval process prior to being submitted to the finance office for final approval. Approval by role and responsibility follows:

- The campus principal or department head (i.e. budget manager) shall review and approve all requisitions. The purpose of this review and approval is to ensure the purchase was included in the annual budget, the budget code being used is accurate, and that the purchase supports the campus goals and objectives (i.e. supports the campus improvement plan).
- All requisitions from federal grant funds shall be reviewed and approved by the appropriate grants manager to ensure that the expense is reasonable, necessary and allowable in the grant fund. Refer to the State and Federal Grants Manual for more information.
- The Accounts Payable / Purchasing staff member shall review all requisitions prior to releasing the requisition for review by the Business Manager. The Accounts Payable / Purchasing staff member shall review the pending requisitions according to the Purchase Processing Schedule.

The review shall include the following: requestor name, shipping address, vendor name and number, reason (verify that the reason matches the purchase and is properly spelled out), reference name of person that goods should be delivered to, commodity code, attachment(s), bid number (bid, quote, or Co-Op contract number, as appropriate).

NOTE: If the requisition is for goods or services that were competitively procured, a copy of all bid/proposals shall be on file in the purchasing department. Catalog number, description [detailed description of item or service (exceptions may include: Web Order, Order List attached, Contract/Scope of Services attached, etc.)], unit of measure, unit price, (if equipment with a unit cost equal to or over \$5,000, the object code must be 66XX; if equipment with a unit cost less than \$5,000, the object code must be 63XX), account code(s) (the account code(s) must match the purchase and location/department).

If any deficiencies are noted with a requisition, the Accounts Payable / Purchasing staff member shall contact the requestor to resolve the discrepancies. If the discrepancies cannot be remedied, the Accounts Payable / Purchasing staff member shall "return" the requisition to the requestor. The Accounts Payable / Purchasing staff member shall "approve" all requisitions that meet the required review. The Accounts Payable / Purchasing staff member shall notify the Business Manager if any requisitions are pending final approval or are time sensitive.

Purchase Orders

The Business manager shall serve as the final approver of all requisitions. Upon approval by the Business Manager, the requisition becomes a purchase order and is assigned a system-generated number.

No employee shall order or receive goods or services without an approved purchase order. According to Board Policy CH (Local), employees who violate the District purchasing procedures shall be held personally liable for the debt incurred.

Purchase Orders are similar to a "promissory note" in the sense that it conveys to the vendor that if they provide the goods or services, the district promises to promptly pay for the goods or services.

The Accounts Payable / Purchasing staff member shall generate an "Aged" Purchase Order Report on a quarterly basis (at the end of the quarter) and send to budget managers or their designees for research on all aged purchase orders. The research shall entail a review with the Accounts Payable / Purchasing staff member and/or Maintenance Secretary and/or requestor of all purchase orders, as necessary, pending receipt.

Payment Authorization Form: A Payment Authorization Form shall be used for non-purchase order payments such as unencumbered expenses such as legal fees, scholarship awards, certification fee reimbursements, athletic officials etc. The Accounts Payable / Purchasing staff member shall review all Payment Authorization Forms to ensure that funds exist in the account code(s) and that the vendor exists in the Vendor database. The Business Manager shall approve all Payment Authorization Forms and forward to the Accounts Payable / Purchasing staff member for payment.

Emergencies: Exceptions to the prescribed manner of making purchases are permissible only in cases of emergency where delay would endanger the public welfare: sewer and water failure, gas leaks, light and power failure, fuel shortage, transportation delay, and fire and health hazards. Emergencies are to be reported to the Business Manager within twenty-four hours. State the type of merchandise or service needed, the cost, the vendor, and the nature of the emergency. The emergency purchase authorization should not be used to purchase capital equipment. These purchases should be made on regular purchase orders.

Competitive Procurement

All school district contracts for the purchase of goods and services, except contracts for the purchase of produce or vehicle fuel, valued at \$50,000 or more in the aggregate for each 12-month period shall be made by the method that provides the best value for the district in accordance with the Texas Education Code (TEC 44.031). The Business Manager (or Superintendent) shall determine the appropriate purchasing method. Any requisition that is submitted for \$50,000 or over must have the appropriate paperwork attached in Skyward Finance. This can include but is not limited to bid documents, proposals, quotes, etc. What is listed on the requisition must be included on the contract. Before cutting the check, the Accounts Payable / Purchasing staff member will make sure that all paperwork is included.

According to Board Policy CH (Local), any single, budgeted purchase of goods or services that costs \$50,000 or more, regardless of whether the goods or services are competitively purchased, shall require Board approval before a transaction may take place.

All purchases, which may exceed these limits, should be brought to the attention of the Business Manager well in advance of the need for the goods or services. The bidding/ proposal process may take approximately 2 to 3 months, from bid specification development to School Board approval. Proposals are evaluated and ranked by a committee comprised of no less than 2 members, and recommended to the Board of Trustees at a scheduled board meeting. The vendor who is ranked highest as providing the proposal most advantageous to the district should be notified of the potential award. Following the final selection, all vendors will be notified of their award/non-award.

Wharton participates in several purchasing cooperatives. This may help decrease the amount of time and effort and be an alternative to the proposal and bid process. The purchasing cooperatives are a great resource and they are encouraged.

Sole Source: A school district may purchase an item that is available from only one source, such as an item with an existing patent, book, film, utility service, or replacement/component part. A common sole source purchase for school districts is the purchase of iPads, which shall be purchased only from Apple, Inc. The vendor shall provide written confirmation of their sole source status to the finance office for audit purposes. Sole source purchases with federal grant funds shall be pre-approved by the federal granting agency and/or pass-through entity (TEA), as appropriate. The Request for Noncompetitive Procurement (Sole-Source) Approval form shall be submitted to the appropriate entity by the Grants Manager prior to approval of a sole source purchase. A copy of the approval form shall be attached to the purchase order for audit purposes.

School Bus: The purchase or lease of one or more school buses, including a lease with an option to purchase, must be submitted to competitive bidding when the contract is valued at \$20,000 or more. Purchasing cooperatives are also acceptable and encouraged.

Professional Services: The services of an architect, attorney, certified public accountant, engineer, or fiscal agent. A school district may, at its option, contract for professional services rendered by a financial consultant or a technology consultant in the manner provided by Government Code, Section 2254.003 in lieu of the methods provided by TEC 44.031. Professional and contracted services with federal grant funds shall be subject to the EDGAR and TEA contract provisions, the Contract Management Procedures, and approved by the Grant Manager.

Construction: The procurement of construction is governed by the Government Code, Chapter 2267. This section addresses the selection of the architect, engineer and contractor; the evaluation criteria, advertising requirement, and methods of procurement.

Change Orders: Change orders require more formal procurement processes in certain situations when "a change in plans or specifications is necessary after the performance of a contract is begun or if it is necessary to decrease or increase the quantity of work to be performed or of materials, equipment, or supplies to be furnished, the district may approve change orders making the changes," in accordance with subsection 44.0411(a), Texas Education Code. Requirements related to change orders changed significantly following the enactment of new statutory provisions by the 82nd Legislature in 2011.

Change orders that exceed 25% of the original contracted amount of less than \$1 million will require the district to apply competitive procurement processes in accordance with Chapter 44 of the Texas Education Code and/or Chapter 2269 of the Government Code. This requirement applies to contracts when "a change order for a contract with an original contract price of less than \$1 million increases the contract amount to \$999,999.

Change orders that exceed 25% on original contracted amount of less than \$1 million will require the district to apply competitive procurement processes in accordance with Chapter 44 of the Texas Education Code and/or Chapter 2269 of the Government Code. This requirement applies to contracts when "a change order for a contract with an original contract price of less than \$1 million increases the contract amount to \$1 million or more, the total of the subsequent change orders may not increase the revised contract amount by more than 25 percent of the original contract price," in accordance with subsection 44.0411(d), Texas Education Code.

Change orders that exceed 25% on original contract amount of \$1 million or more will require the district to apply competitive procurement processes in accordance with Chapter 44 of the Texas Education Code and/or Chapter 2269 of the Government Code.

Although state law related to quotes was repealed, the district may solicit quotes for purchases

when advantageous to the district to obtain the best price.

Refer to the State and Federal Grants Manual for procurement procedures related to grant monies (i.e. micro-purchases, small purchases, non-competitive procurement). All purchases made with grant monies shall be reviewed and approved by the appropriate grants manager prior to review by the Financial Services Office.

Conflict of Interest

A conflict of interest would arise when an employee, officer, agent, any member of his or her immediate family, his or her partner, or an organization which employs or is about to employ any of the parties indicated herein, has a financial or other interest in or a tangible personal benefit from a firm considered for a contract.

No employee, officer, or agent may participate in the selection, award, or administration of a contract if he or she has a real or apparent conflict of interest. In addition, no employee, officer, or agent of the district may solicit or accept gratuities, favors or anything of monetary value from contractors or parties to subcontractors.

Should a conflict arise with a vendor the district conducts business with, the following form(s) shall be used, when appropriate: Conflict of Interest Disclosure (CIS) - Texas Ethics Commission - Local Government Officers (Board Members, Superintendent, and other Executive Staff).

Conflicts of Interest, if any are reported, shall be posted on the District's website, as appropriate, by the Business Manager.

Refer to the grants manual for information related to purchases with grant funds.

Receiving of Goods

The District utilizes a decentralized receiving system - goods are delivered to the requesting department/campus. The campus secretary will receive items in the Skyward system.

The Accounts Payable / Purchasing staff member will be responsible for contacting the vendor regarding any deficiencies as noted or may work with the campus secretary to resolve deficiencies.

Receiving Damaged Goods

Freight damage is to be noted on the driver's receipt before he leaves, if possible. Check all shipments when they arrive. If the driver refuses inspection of any carton, be sure to note any sign of external damage on the delivery receipt. DO NOT speculate as to cause of damage. Only report what you see. If concealed damage is discovered upon delivery to school, the principal or department head must call the Accounts Payable / Purchasing staff member. The Finance Department shall determine whether the campus designee will contact the carrier or whether the Accounts Payable / Purchasing staff member will contact the carrier. A report of damage to the carrier must be made within fifteen days.

Keep the damaged goods and all packing materials in a safe place until the carrier makes an inspection. Request a copy of the inspection reports, if applicable. If the carrier does not inspect within thirty days, make your own detailed inspection report with pictures.

You cannot reject a shipment unless it is "practically worthless" (cannot be repaired). Get the driver to confirm the damage in writing and, in writing, determine that acceptance will not damage your building or be hazardous to student's health (example: leaking paint).

All the above receiving procedures apply to manufacturer's defects as well, if discovered right away. If not discovered immediately, inform the carrier as soon as they are discovered. Do not use the merchandise until a settlement has been made with the carrier.

Canceling a Purchase Order

If a requisition has not yet been approved and the item(s) are no longer needed, the creator should delete it in Skyward Finance. This will release the encumbrance.

If a requisition has already been approved and is now a purchase order, the creator must notify the Accounts Payable / Purchasing staff member in writing. Accounts Payable will release the encumbrance by moving the PO from open to reversal status in Skyward Finance.

Purchase of Food and Non-Food Items

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

Subject to the availability of budgeted funds, Wharton ISD provides meals for staff during staff development events. These meals are intended to improve general morale, are not to be more than \$10 per person in cost, and are not to be regularly scheduled. When a meal is provided during a training event, the budget manager should provide a training agenda that includes breakfast or lunch as an event item and a list of staff anticipated to be in attendance. Generally, these costs should be charged to a staff development account code (function 13). These meals are not taxable as they would meet the IRS regulation that states: *meals provided on the premises and for the convenience of the employer are not taxable.*

The purchase of refreshments and snacks are generally prohibited with state and federal grants; however, upon approval of the grants manager, meals may be allowable on a limited basis if the meal meets the "working lunch" or "light lunch" exceptions as described in TEA's Guidelines Related to Specific Costs. All federally-funded meals must be reasonable and necessary and shall not exceed \$20 per meal per person. Refer to the State and Federal Grants Manual.

Light snacks are allowable for meetings shorter in duration only on an infrequent basis. The price per person should be kept below \$5 per day.

Memberships

Subject to the availability of budgeted funds, the District shall allow for the payment of one professional membership per administrative-level employee, nurse, and counselor per year, unless otherwise notated in the individual's employment contract (i.e. Superintendent) or an exception is made by the Superintendent or Business Manager. Also, where employees are required to be members of an organization in order for student participation eligibility, the District will pay those membership fees (i.e. band directors must be members of both TMEA and ATSSP for students to be able to compete in district-level events). The membership shall be of reasonable cost and necessary to support the educational or business operations of the District. When the option exists, the institutional memberships shall be in the name of the District and not in the name of an individual.

Membership fees for civic, political, or community organizations shall not be paid by the District, except for the Superintendent, Deputy Superintendent, and Assistant Superintendent where participation in such organizations is related to an essential job function. Otherwise, all other fees shall be notated in the individual's employment contract. Membership fees shall not be paid with state and/or federal grants. Liability insurance or other related costs shall not be paid by the District.

Portable Wi-Fi Device Usage

In an effort to make job processes more efficient, the district provides portable Wi-Fi devices with cellular data to the Superintendent, Assistant Superintendents, Business Manager, Director of Student Services, Director of Technology, Assistant Director of Technology. Other district administrators may be able to temporarily use a portable Wi-Fi device on a check-out basis for a specific event if a device is available.

Clothing and Uniform Purchases

Subject to the availability of budgeted funds, the District may purchase and provide for employees work-related articles of clothing and accessories to utilize while actively on-duty when required for their assignment(s). These items are to be of low value and considered property of the District.

Should an employee separate their employment with the District, they shall return all district owned clothing items to their immediate supervisor prior to employment separation.

Before handing over an item owned by the District, the requestor should have each employee sign a Receipt for Uniform and Property form.

Staff & Student Incentive Awards

Minimal-cost certificates, plaques, ribbons, small trophies, or instructionally-related items to be used in the classroom (such as pens, pencils, clipboards, and day planners) are acceptable incentives for participation in program activities or awards for recognition.

Food Service Catering

The Food Services department offers catering to district staff to enable the district to realize savings through purchasing and preparation.

Ordering

To arrange an order, employees should first contact their budget manager to ensure adequate funds are available to pay for the service.

If there are, the Food Services Director or Secretary should be contacted to request a quote for the service. Tell them at this time whether this will be a one-time event or will repeat periodically over the fiscal year. The quote should be forwarded by the requestor to their budget manager for requisition entry.

Once an approved purchase order (PO) has been generated, it should be forwarded to the Food Services Director or Secretary to confirm order. Note: No order will be confirmed or processed by the Food Services Department until they have an approved purchase order.

Payment

The invoice (with PO number) should be forwarded by the Food Services department to the WISD Accounts Payable / Purchasing staff member for payment. A copy should be sent by the Food Services department to the person who placed the order with a note that it is a copy and no action is necessary. Once payment has been issued, the payment is credited to the Food Services revenue budget and a receipt is sent to the Food Services department by the Financial Services Office

Additions to the Vendor List

To ensure a systematic process of adding vendors in the finance database, the vendor addition procedure was developed. This process is designed to meet local, state, and federal guidelines related to vendor relations and procurement by the District.

Vendor Application

The requestor shall forward the vendor application packet to the prospective vendor. An inactive vendor should complete a new vendor application packet after a 1-year period of inactivity.

The vendor application packet shall include the following:

- Vendor Application
- Form W-9
- Conflict of Interest Questionnaire (available through the Texas Ethics Commission)
- Felony Conviction Form
- Criminal History Verification (if applicable)
- Certificate of Insurance (with Wharton ISD as insured, if applicable)
- Debarment Certification Form (if being funded with federal grant funds).

The completed packet should be forwarded by the requestor to the Administrative Assistant.

Vendor Review and Approval

The Accounts Payable / Purchasing staff member shall review the packet to ensure that all required items have been submitted and are properly executed, including the signature of an authorized individual.

The Accounts Payable / Purchasing staff member shall review and verify the following requirements, as appropriate. Possible non-compliance with the requirements shall be forwarded to the Business Manager for a final determination regarding the vendor eligibility to contract with the District. All requests for use of federal grant funds must be approved by the appropriate grant manager.

After the Accounts Payable / Purchasing staff member has verified that a Vendor Application Packet is complete, the packet shall be forwarded to the Business Manager for final review and approval.

After the final approval, the vendor shall be added to the vendor database.

Insurance Requirements

If the vendor will perform services on Wharton ISD property, the vendor should provide the Certificate of Insurance prior to the start of any work and only after a purchase order has been approved by the final approving authority. The Certificate of Insurance must include the following lines of coverage and limits must be with a carrier with at least an "A" rating with A.M. Best.

- Employer's Liability: \$500,000 each accident
- Commercial General Liability: \$1,000,000 combined single limit; \$500,000 combined single limit each occurrence
- Business Automobile Liability: \$1,000,000 combined single limit each occurrence (hired/non-owned coverage, too)
- Workers Compensation: Certificate of insurance, certificate of authority to self-insure issued by the TDI, or a coverage agreement showing statutory workers compensation insurance coverage for the person's or entity's employees providing services on a project is required for the duration of the project.
- Note: The Commercial General Liability and Business Automobile Liability Limits may be adjusted dependent upon the size, scope, and nature of contract.

Felony Conviction/Criminal History Verification

All vendors shall complete a Felony Conviction Form and disclose if the owner or operator has been convicted of a felony. Contractors who will have "continuing duties" (defined as the providing the service on a regular, repeated basis) or "direct contact with students" (defined as providing substantial opportunity for verbal or physical interaction with students that is not supervised by a District employee) shall obtain criminal history record information and provide it to the District.

Employer TIN-Matching

The Accounts Payable / Purchasing staff member should verify the TIN of vendors through the IRS TIN-Matching online service. If any discrepancies are noted between the TIN-Matching online service and the vendor-completed Form W-9, the matter shall be referred to the Business Manager to make a determination regarding the vendor's eligibility to conduct business with the District.

Licensed or Registered Contractors

If the contractor is required to be licensed or registered with the State of Texas (such as plumbers, electricians, HVAC technicians), the Accounts Payable / Purchasing staff member shall verify that the contractor's license is "active" and that there are no sanctions against the contractor. The Texas Department of Licensing and Regulation (TDLR) website shall be used to search for licensed contractors and to search for contractor violations.

Debarred Vendor Verification

The appropriate grant manager shall verify that a vendor to be contracted with federal grant funds has not been debarred from doing business with the State of Texas and provide the information to the Administrative Assistant for filing.

Vendor Database Management

The Accounts Payable / Purchasing staff member shall create a complete vendor record, including, but not limited to the following:

- Vendor legal name and DBA, if applicable
- Mailing Address
- Remit address, if applicable
- Tax Identification Number or Social Security Number
- Date W-9, Felony Conviction, and CIQ forms were received
- Company phone numbers: voice and fax
- Company e-mail

Prior to adding a new vendor, the Accounts Payable / Purchasing staff member shall verify that the vendor does not exist in the Vendor Database in an active or inactive status. If the vendor does exist, and the vendor identification information is identical, the vendor may be reactivated.

The Accounts Payable / Purchasing staff member shall make changes to the vendor database upon receipt from a vendor of a change in address, phone number, email, etc.

The Accounts Payable / Purchasing staff member should recommend to the Business Manager for final approval when a vendor should be inactivated.

CONTRACT MANAGEMENT

Contract Management

The goal of this section is to ensure a systematic process to review and approve contracts with vendors to include purchases, services, maintenance agreements, construction, and other contracts as appropriate.

Approval Authority [Board Policy CH (Local)]

The Superintendent has designated the Chief Financial Officer to approve and execute all contracts for the purchase of goods or services that are less than \$50,000.

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

Review

The requestor (campus or department) shall forward the contract documents to the Business Manager for review. Contracts may be vendor originated or the Wharton ISD's standard contract for services.

Contract Agreement received from a vendor by end user; purchasing office receives the agreement from the end user; Business Manager reviews contract; check for unacceptable provisions – signed contract forwarded back to end user for forwarding to vendor; end user forwards contract to vendor for countersignature; vendor countersigns contract and returns to end user; end user forwards executed contract to purchasing office; purchasing office retains final contract; (Indemnification)

The Business Manager shall review the contract and complete a contract review checklist.

If the contract will be funded with grant funds, it shall also be reviewed by the grant manager to ensure the following provisions are included (per TEA's Guidance and Best Practices).

- The contract is only effective upon receipt by the sub grantee of the NOGA from the awarding agency.
- The contract period is aligned to the grant period of availability as stated on the NOGA from the awarding agency (period of availability).
- All services will be completed during the effective dates of the contract.
- All services will be invoiced monthly after services are received (rather than paid lump sum at the beginning of the period of availability before services are rendered) and paid upon verification of receipt of services.
- The regulations for procurement in 2 CFR §§200.318-323 are followed in issuing the contract.
- All professional services provided under the contract will follow the provisions of 2CFR 200.459 Professional service costs.
- The contract identifies the funding sources that will be charged for the services provided, including the specific amount and/or percentage of the total contract amount to be charged to each funding source.
- The contract identifies and lists only reasonable, necessary, and allocable services to be provided during the period of availability of the funding sources listed in the contract.
- The administrative costs charged to the grant in the contract must comply with any limitations for administrative costs for funding sources (if applicable).

- The contract specifies that the invoice provided by the contractor will include the list of services provided, dates of services, and location(s) where services were provided during the billing period.

If the contract will be funded with federal grant funds, the following provisions must be included in the contract [Per EDGAR Appendix II Part 200 Contract Provisions for Non-Federal Entity Contracts under Federal Awards].

- Contracts over \$150,000 must address administrative, contractual or legal remedies in instances where contractors violate or breach contract terms, and provide for such sanctions and penalties.
- Contract over \$10,000, must address termination for cause and for convenience by the District including the manner by which it will be effected and the basis for settlement.
- Equal Employment Opportunity clause
- Davis-Bacon Act clause for construction contracts, including compliance with prevailing wages. [The District must place a copy of the current prevailing wage determination is used by the Department of Labor with each solicitation.]
- Contract Work Hours and Safety Standards Act clause related to the computation of wages of every mechanic and laborer on the basis of a standard work week of 40 hours.
- Rights to Inventions Made under a Contract or Agreement clause if the federal award meets the definition of "funding agreement".
- Clean Air Act and Federal Water Pollution Contract Act clauses if the contract is in excess of \$150,000
- Debarment and Suspension clause which prohibits awarding a contract to a contractor who has been debarred, suspended or otherwise excluded from federal awards.
- Byrd Anti-Lobbying Amendment clause which applies to contractors that apply or bid for an award exceeding \$100,000 who must file the required certification.
- Procurement of recovered materials (200.322) clause.

If the Contract is recommended as is, the Contract will be forwarded to the Superintendent and/or School Board for final review and approval (signature), as necessary.

If the Contract is not acceptable as is, the Business Manager shall contact the contract originator who is responsible for attempting to resolve the deficiency(ies). Legal advice from the district's legal firm shall be obtained by the Business Manager as necessary to remedy the contract deficiencies. If the Contract is not acceptable and cannot be corrected to an acceptable form, the Business Manager shall reject the contract and notify the contract originator who is responsible for notifying the proposed vendor. The rejected contract shall be forwarded to the Administrative Assistant. The Administrative Assistant shall file the rejected contract.

Letter of Intent

The District may execute a Letter of Intent with a third party (contractor) prior to a fiscal year or state/federal grant period only if the following provision is included in the Letter of Intent: The final execution of the contract is contingent upon availability of local funds or receipt of a Notice of Grant Award (NOGA) from a state/federal granting agency. The Business Manager review any letter of intent.

Certificate of Interested Parties (Form 1295)

Board Policy CH (Legal) provides information on the Certificate of Interested Parties requirements.

The Business Manager acknowledges any Certificate of Interested Parties forms that are received by the District on the Texas Ethics Commission's website <https://www.ethics.state.tx.us/File/>.

Once the forms have been acknowledged, the Business Manager forwards the original to the Administrative Assistant for filing with the contract (both paper & electronic). An electronic copy is saved on the shared Business drive.

Approval

If the contract requires School Board approval, the Business Manager shall prepare the School Board action item for approval at the next scheduled board meeting. The Board Secretary shall return the original, signed contract to the Superintendent Secretary for filing with the Board minutes (unless the original is required to be filed with the vendor - in that case a copy shall be filed in the minutes) and shall return a copy to the Business Manager.

The Business Manager shall verify that the contract documents have been executed and take the following steps:

- Ensure that both parties (District and Contractor) have executed the contract. Notify the contractor by letter, email, and/or phone call, as appropriate, that the contract has been approved, but is pending encumbrance of funds.
- Notify the contractor that the services cannot begin until the contractor receives the fully executed contract and Purchase Order.
- Notify the contractor that the services cannot begin until the contractor submits any bonds, Certificate of Insurance, Criminal History, etc. documentation as appropriate.
- Notify the contract originator (campus or department) of the contract approval and request that the originator submit a requisition in an amount equal to the annual cost (fiscal year) to encumber the funds associated with the contract.
 - o Upon receipt of the requisition, the Accounts Payable / Purchasing staff member shall review and approve in accordance with the district's purchasing procedures.
 - o The Accounts Payable / Purchasing staff member should attach a copy of the contract to the purchase order in Skyward.
- Forward the original contract to the Administrative Assistant for filing purposes.

Upon receipt of the signed contract, the Administrative Assistant shall file the original contract according to the contract filing procedures that follow.

The Accounts Payable / Purchasing staff member shall enter the new vendor in the Skyward database and forward to the Administrative Assistant to file the contract copy.

Upon final purchase order approval and contract execution, the originator shall forward copies of both to the vendor.

Filing Procedures

Upon receipt of a fully executed contract, the Administrative Assistant shall file a contract as follows:

- Scan the contract to a PDF and file in the shared Business drive, and
- File the paper contract in the appropriate binder.
- Upload the contract to the vendor profile.

Contracts shall be filed in each fiscal year to which they apply (multiple copies may be necessary).

An Excel spreadsheet shall be maintained on all contracts. The Sheet shall contain the following information (at a minimum):

- Vendor name
- Starting and ending dates of contract
- Renewal terms, such as automatic renewals, or renewal by mutual agreement, etc.
- Non-renewal or cancellation terms (for recurring contracts)

Management

The contract originator shall be directly responsible to ensure that the contracting party performs the services covered by the Contract. The contract originator should sign the invoice to certify that the work was completed to satisfactory standards.

Upon completion of service(s), the vendor shall forward an invoice to the Accounts Payable department to request that payment be made to the contracting party. Before issuing payment, Accounts Payable / Purchasing staff member should confirm that the invoice was issued correctly (i.e. vendor name, dollar value, etc.). The Accounts Payable department shall make partial or final payments only upon receipt of confirmation by the contract originator. The signature of the originator (or an e-mail) is verification that the services have been performed and that the payment should be made to the contracting party.

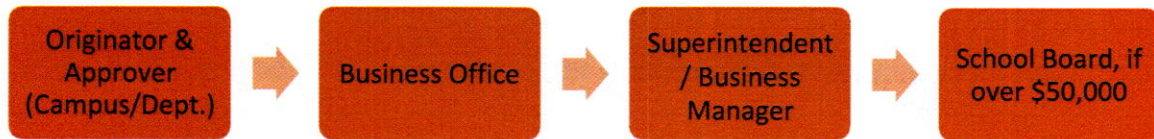
Consultants or Contracted Services

These procedures shall be adhered to in reviewing and accepting professional and contracted service contracts to be funded through federal, state, or local funds.

Consultants are non-employees who are contracted to perform a personal or professional service such as staff development, medical services, etc. A written contract is required for all contracted services. If the consultant (vendor) does not provide their own company contract, a Contract for Services shall be executed by the vendor (available on the WISD Purchasing website). All contracts shall be subject to legal review by the Chief Financial Officer using the district's Contract Review Checklist. After approval by the Chief Financial Officer, the Superintendent shall sign the contract on behalf of the District, as necessary. **The Superintendent is the only individual authorized to sign contracts on behalf of the District.** No other employee is authorized to sign a contract or agreement on behalf of the district. Contracts that exceed \$50,000 [School Board Policy CH(Local)] shall be approved by the School Board at a scheduled meeting.

All contracts that exceed \$50,000 [Policy CH (Local)] shall be procured using the competitive procurement requirements established in the appropriate state law (TEC or the Government Code). The evaluation criteria (such as cost and prior performance) for the review of the proposals shall be determined prior to the solicitation for the proposals/bids. The review and recommendation process shall include a separation of duties: the originator of the contract request should work collaboratively with the finance office to evaluate the proposals/bids.

The approval path for all contracts shall be in accordance with the workflow illustrated below:



If a contract for a consultant or other service will be funded through a federal grant, the Grants Manager shall also approve the contract to ensure that it is: 1) included in the grant application; 2) budgeted in the grant; 3) verify that the contracted service is allowable under the grant; 4) approved for the granting agency (such as TEA); and 5) that the contract language required in the federal regulations (EDGAR) and state regulations (TEA) is included. Said language shall be included in every contract funded with federal grant funds. Refer to the grant procedure manual for more information related to federal grants management. →

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

Please **follow these procedures** when submitting a contract for contracted services:

- Submit a completed vendor contract or Contract for Services to the Business Manager for review. The Business Manager shall forward to the Superintendent for final approval, or schedule at the next School Board meeting, as appropriate.
- Obtain the following documents from the vendor:
 - o A completed Form W-9
 - o Conflict of Interest Questionnaire
 - o A Felony Conviction Form
 - o If the consultant will work directly with students, a Criminal Check Authorization form is required (contact the Human Resources department for more information).
 - o Certificate of Insurance, as appropriate.

ACCOUNTS PAYABLE

Accounts Payable

The goal of this section is to ensure a systematic process to provide for efficient, effective, and accurate payments.

The Accounts Payable Department is responsible for ensuring that payments owed by the District are made in a timely and accurate manner in compliance with state and local laws. This can only be completed with a cooperative effort between campuses, departments, and the finance offices.

The documents required to pay a vendor may include:

- Properly authorized purchase order
- Receiving Records included with shipments
- Merchant receipts
- Invoices

General Procedures

Accounts Payable utilizes a weekly check cycle with checks generally being issued on Fridays. At times, checks may be processed earlier or later, due to holidays, staff work schedules, or unforeseen events. The Business Office shall determine the date that vendors will be paid, so employees should not make prior commitments to vendors about check disbursements. If a check is needed for travel, please ensure the secretary enters the request two weeks prior to needing the check.

If a discount is offered by a vendor for early payment, the payment should be processed within the allotted time if the goods have been received and their receipt has been verified by the originating campus or department. Note: All payments are due within 45 days of receipt (Govt. Code 2251).

All invoices should be entered separately into the finance system by invoice number, amount, and date. Note: The invoice number is a "key" record. If entered correctly, the system will not allow a duplicate payment to a vendor.

Payments shall not be made from statements.

Upon receipt of an invoice from a vendor, it should be matched with a pending purchase order and the receipt of items or completion of services verified. Note: this constitutes a 3-way match. If no discrepancies exist, the check payment should be entered into the Skyward system.

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

Recurring invoices such as utilities, monthly rentals, payroll deductions, etc. should be entered into the finance system for payment as follows:

- Utilities and Copiers: All charges should be posted by location.
- Cell phones: All charges should be verified and posted by phone number.

Confirmation of Receipt

Payments for goods and services cannot be issued without Accounts Payable receiving confirmation that the items or services were received or performed. There are two ways to notify Accounts Payable that it is okay to issue payment:

1. When goods/services are received/performed, all invoices can be signed by the individual receiving them with the words "ok to pay" written next to the signature. This should be attached to a copy of the purchase order and sent to Accounts Payable (Finance Office).
2. Another way to alert Accounts Payable that the items/services were received/performed is to use the Skyward computer software. There is a "receiving" button which changes the status of the items to "received". Accounts Payable can log into Skyward, look up that purchase order, and see the total amount they are authorized to pay. It is possible to "receive" part of a purchase order if a few items were missing. This will alert Accounts Payable that the items/services have been received/performed more quickly and may speed up payment.

Compliance with State Law

All payments shall be made in accordance with state law (Govt. Code 2251) within 45 days of the later of the following:

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

Interest shall not be paid on any invoices unless the payment is "overdue" as defined by state law. The interest due, if any, shall be paid from local (non-state or non-federal) funds when the invoice is paid. The District shall not request that the vendor waive the interest if the interest is in compliance with state law.

If an invoice is disputed, it must be disputed in writing no later than 15 days after the receipt of the invoice (state law maximum is 21 days). Therefore, it is extremely important that campuses/departments notify Accounts Payable immediately when an invoice has a disputed charge.

Invoices for Returned Items

Payment to vendors for returned purchases should be withheld from the vendor until

replacement items are received that are acceptable to the District.

Verification of Check Transactions

The Accounts Payable / Purchasing staff member shall verify that all check transactions meet the following guidelines:

- All required approvals are noted on the PO
- A 3-way match exists (PO, receiving, invoice)
- Proof of receiving exists - signature on receiving report or electronic verification
- All items have been received
- Partial payment, if allowed, is recorded or tracked
- The "reason" or "description" on the payment is appropriate for the expense
- Liquidated amount matches the amount paid
- The remaining liquidation is reversed during the final payment (if partial payments are allowed)
- Invoice numbers are entered correctly
- Invoice date is after the PO approval date
- Vendor remittance address is correct
- Account code matches the purchase
- Sales tax is not included on the invoice
- Due date has not passed
- Discounts, if any, have been taken
- Credits, if any, have been taken
- Freight charges are allowable (refer to bid or coop purchase terms) on PO
- Bid or coop prices have not been exceeded on the invoice
- Invoices have not already been paid
- Late fees, interest charges, etc. have not been charged unless they have been researched and are valid
- Invoices for all contracted services include details regarding the service provided and the date(s) of service

If any discrepancies are noted, the Accounts Payable / Purchasing staff member should try to resolve them. If unable, the Business Manager should be notified to rectify the situation.

Check Issuance

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

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

Checks shall not be issued to "Cash" or "Bearer".

All vouchers and supporting documentation should be filed in alpha order by vendor last name or company name.

The Business Manager shall approve all "emergency" checks.

Stop Payment Procedure

The Business Manager have authorization to issue stop payments on all bank accounts. Stop payments are issued using information obtained from the check voucher copies. Once issued, the information is given to the Bookkeeper for data entry.

Wire Transfers

The Business Manager has authorization to submit payments in the form of wire transfers. The payments will then be entered into the Accounts Payable software via the usual invoice entry process.

Credit Card Procedures

Credit cards are a method of payment. They are not a procurement method.

District credit cards may be used for official WISD business only. Prior to being issued a credit card, the user will sign a statement authorizing the District to deduct the amount of unauthorized purchases from the paycheck following the purchase date. The District will not pay for unauthorized purchases (includes state sales tax).

All credit card charges must be supported with original, detailed receipts. If a receipt is lost or stolen, the cardholder should obtain duplicate copies of the receipts, if possible. In some cases, a written, certified statement from the cardholder may be accepted as acceptable documentation. If a receipt or acceptable written, certified statement is not submitted to the Financial Services Office, the charges may become the personal responsibility of the cardholder. All receipts from cardholders shall be submitted to the Financial Services Office by the next day of business upon returning to the district.

Secretaries will put in a requisition to Commerce Bank for the budget manager to use the credit card as form of payment. Credit cards should be utilized for travel and registrations and emergencies.

Lost or Stolen Cards

Report any lost or stolen card immediately to the Finance Office. If after business hours, contact the Business Manager after hours.

The District is financially liable for the card in the event it is lost or stolen and is subsequently used. The cardholder will be held liable for any purchases made before the card is reported lost or stolen. Once you have notified Commerce Bank that your card is lost or stolen, the District is no longer liable for any purchases made with the card.

Consequences for Failure to Comply with Guidelines

Failure to follow the credit card guidelines may result in loss of card privileges, and disciplinary action including, but not limited to employment termination or legal action.

EMPLOYEE TRAVEL

Employee Travel

Board Policy DEE (Local) states: An employee shall be reimbursed for reasonable, allowable expenses incurred in carrying out District business only with the prior approval of the employee's immediate supervisor. Reimbursement for authorized travel shall be in accordance with legal requirements. Accounting records shall accurately reflect that no state or federal funds were used to reimburse travel expenses beyond those authorized for state employees. For any authorized expense incurred, the employee shall submit a statement, with receipts to the extent feasible, documenting actual expenses and in accordance with administrative procedure."

General Travel Information

The District may pay for employee travel expenses that are reasonable and necessary when the travel clearly involves official District business including authorized staff development. Each trip must be approved by the appropriate budget manager before any expense is incurred. Prior to approval, the budget manager should ensure adequate funds are available. Travel expense reimbursement shall not exceed the amount of funds available in the current budget for such travel nor should it exceed the amount on the purchase order. It shall be the responsibility of the employee requesting reimbursement and the employee approving the travel to ensure that the travel is in accordance with administrative procedure.

Any trips taken without prior approval will be at the employee's expense.

Regardless of where the travel occurs, all payments are issued by Accounts Payable following receipt of a check request form or appropriate travel reimbursement form.

Requests for reimbursements are processed using the following timeline:

All receipts for reimbursement must be submitted within five business days when returning to the district. All receipts and requests for reimbursement not submitted according to the above timeline shall not be reimbursed by the District. These expenses shall be assumed by the employee.

All travel expenses shall comply with federal, state, and local guidelines. The District shall apply the same travel guidelines and rate for all travel expenses using local funding sources. The only exception is that on a very rare basis excess lodging above the GSA schedule may be authorized by the Superintendent only with local funds. If using federal funds for travel, meals are reimbursed by receipts upon return. No expenses can be paid for in advance using federal funds.

Travel Within the District Area

Travel within the District and the immediate surrounding area, such as between offices, campuses, or local vendors, is paid after the fact on a monthly basis. A "Local Travel Expense Report" form is used to obtain reimbursement for using a personal vehicle on School District Business within the District boundaries. When feasible, a purchase order should be requested for this also.

The Local Travel Expense Report should be completed and signed by the employee requesting payment and then approved by the appropriate budget manager. After approval, these should be turned in to Accounts Payable.

To streamline workflow, some staff required to travel frequently within the district receive mileage allowances in lieu of per trip travel reimbursement. Mileage allowances are set on an annual basis by the school board in the compensation plan. Allowances are intended to cover all mileage expenses associated with traveling within the District so employees who receive allowances are not eligible for additional local travel expense reimbursement.

Travel Outside the District Area

Travel outside the District will be paid according to the District's reimbursement schedule providing proper procedure and approval is followed prior to the expense being incurred. There are provisions to prepay some travel expenses, but the responsibility for complying with District policies is the responsibility of the employee receiving payment. It is important that the travel request be completed and turned into the campus secretary at least 10 days prior to travel. Earlier consideration of travel plans is recommended so that the funds may be encumbered and budget priorities can be planned.

Tax exempt forms are available for hotel state taxes only. It cannot be used for city or local taxes.

1. Authorization

In order to receive payment for travel outside the District, all employees must first receive approval by the appropriate budget manager. Teachers and staff must fill out a "Wharton ISD Professional Development Leave Request" form and/or a "Wharton ISD Travel Request Form". These are available on the District's website.

Google Maps should be used to calculate mileage. The website can be found at <http://maps.google.com/>. The "to" and "from" addresses should be entered and the mileage calculated by the website multiplied by two to account for the trip to the destination and back to the point of origin.

After the form has been filled in, it should be given to the campus principal or budget manager so account codes may be designated and the travel may either be approved or denied. After the request has been approved in writing, along with confirmation of available funds, this form must be given to the appropriate office employee so he/she can use it to correctly create the requisition if the Travel Request Form includes registration fees and/or lodging. A requisition will not be created if only mileage is indicated on the Travel Request Form.

All out-of-state employee travel must be approved by the Superintendent.

2. Advances

Meal per diem will be given in advance unless using federal funds. The secretary will place a requisition for meal per diem to the staff member or Board member.

Requests for advance payments (payments that need to be made before the trip) – If employee needs a check prior to travel date for registration an approved Purchase Order must be obtained at least 10 days prior to date of travel. The employee is responsible for making the reservation, obtaining exact cost from the hotel (less Texas Hotel Occupancy Tax). The staff member will check out a travel credit card from the Business office prior to travel.

Advance payments will be made for those charges that can be predetermined, such as airfare and registration fees. In the event that funds are advanced to the employee, it is the responsibility of the employee to provide adequate documentation* to the Finance Office within **five** days after returning from the trip. Advances that are not adequately documented must be repaid to the District by the responsible employee.

The Business Manager will notify an employee that he/she is responsible for repaying a travel advance ten days after returning from the trip when lack of documentation is an issue. It is the employee's responsibility to document his/her travel expenses and turn them into Accounts Payable on time.

The Wharton Independent School District reserves the right to make payroll deductions to recoup travel advances. This will usually be taken from the payroll check following the month of travel if there is still a lack of documentation.

*An example of adequate documentation is a copy of the hotel bill which includes the dates and places traveled to. Copies of airplane tickets are required when traveling by air. Reimbursements will not be issued without receipts for supporting documentation.

Registration fees are allowable to be advanced and should be paid only with proof of attendance (i.e. registration confirmation, copy of agenda, etc.)

3. Out-of-District Travel

Payments for out-of-district travel are based on the expenses incurred by the employee on a daily basis as follows:

Meals for Staff

Rates for employees as of January 1, 2023 are:

Breakfast....	\$10.00/day
Lunch... ..	\$14.00/day
Dinner... ..	\$22.00/day
Total	\$46.00/day

The District does not reimburse for alcoholic beverages or tips or for staff meals when travel does not require an overnight stay.

Be sure to include departure and return times on the Travel Request form and requisition. This helps to determine if you are eligible for meal reimbursement. Travel day per diem is allocated at a maximum of 75% of the meal per diem which is \$34.50.

If the employee did not use all of the meal per diem, it must be returned to the district. If the employee has signed the travel reimbursement form that states all meal per diem was used, no receipts are necessary.

Lodging

The lower of the actual single rates or the employee's proportionate share of the per diem rate found on the U.S. General Services Administration website, www.gsa.gov. Amounts exceeding these listed rates will be at the employee's expense and will not be paid by the district unless documentation is submitted to the Business Manager justifying the exception and prior written approval has been provided.

If more than one employee of the same gender is traveling to the same event, the District will fund one room per two people. Should the traveling employees decide not to share a room, the amount incurred above this ratio will be the responsibility of the traveling employees. In this instance, it is the responsibility of the traveling employees to agree on how the travel funds will be split between them. If no decision is made and noted on the reimbursement forms at the time they are submitted, the Business Office will divide the funds equally.

Wharton ISD does not reimburse for movies, personal phone calls, or other expenses that may be charged to the room.

Valet parking must be justified. For example, proof that there is no other parking option available must be provided with bill.

For hotel payment, the employee will check out a travel credit card. The employee is responsible for returning the credit card and hotel receipt within 5 days of returning to the district. **Overnight travel will not be paid by the District if it is 100 miles or less from the Wharton ISD ESC, unless prior approval from the superintendent is obtained.**

Airfare

Lowest available rate (coach fare). Only funded when documentation submitted to finance office proving adequate cost savings as compared to driving.

Mileage

Personal vehicle mileage reimbursement is calculated on a "per mile" basis. The rate is determined using the State Comptroller's rate as a guide. For employees that reside outside of Wharton, mileage will be paid from Wharton or their residence – whichever is less only if a district vehicle is not available.

Other reasonable and necessary expenses are paid at actual cost (toll roads, etc.). Receipts are required for reimbursement.

An individual budget manager may be forced to reduce the above suggested amounts so that all travel activities desired in a particular program may be funded by the budget. If in doubt, ask your budget manager so that problems may be explained and any conflicts resolved before commitments are made.

For employee travel, first request a district vehicle before driving a personal vehicle. To make this request, contact the Administrative Assistant in the Operations Department to find out if a district vehicle is available. If a district vehicle is available, a Bus Request Form must be submitted to Transportation to secure the district vehicle.

Fuel Cards

When utilizing a District-owned vehicle, fuel cards are to be checked out from the Transportation Department for use during the trip when necessary. All receipts must be submitted upon return.

Requesting Payment for Out-of-District Travel

Each employee requesting travel pay should complete the "Staff Development Travel Request" form, have it approved by the principal/director/supervisor, and then given to the campus secretary or designee so the requisition can be made. The form also needs to be signed by the employee's supervisor or principal if different from the budget manager. This form ensures all costs have been accounted for.

After the requisition is approved and it becomes a purchase order, the original will be given back to the requestor so that they may include it with their Travel Expense Reimbursement Request form.

Employees should keep a copy of the original purchase order to fill out and turn into Accounts Payable upon returning from their trip. Employees should attach all required receipts and tickets to the copy of the purchase order they turn into Accounts Payable. Receipts must equal the amount of money being requested to the extent feasible. A settlement will be made after Accounts Payable receives all necessary documentation. The employee may need to return excess funds or Accounts Payable may process an additional payment.

If an additional payment is required, Accounts Payable will issue a check after receiving all necessary documentation. Unless otherwise requested, the check will be mailed to the individual at the residence address we have on file. If, for any reason, the check is not received by the individual, there is a thirty-day waiting period. If, after thirty days, the check has not cleared the bank, another check can be issued. It is the employee's responsibility to notify Accounts Payable if a reimbursement check was never received.

By adding the necessary information to the purchase order and turning a request for reimbursement in to the Accounts Payable, you are certifying that the travel was actually carried out, that it was for School District business, and that the reimbursement is proper and within the limits set by the District.

Exceptions to the established travel policies and procedures may be permitted, but only with the express written consent of the Superintendent.

Vehicle Maintenance and Insurance

Transportation or the department assigned the vehicle is ultimately responsible for keeping District vehicles maintained on a regular basis.

The Business Manager and Transportation Supervisor will be responsible for obtaining insurance for all District owned vehicles and keeping them current. The proof of insurance form must be kept with the vehicle, preferably in the glove compartment, if available.

Fuel and Lubrication

Transportation or the department assigned the District vehicle will be responsible for maintaining records for fuel use, oil, and lubrication. The transportation department will see that District vehicles have sufficient fuel levels before issuing vehicles to employees.

When it is necessary to re-fuel the vehicle and the transportation department is not accessible, fuel usage cards will be issued through the Operations Secretary and must be returned with all required receipts and documentation upon completion of use. When possible, all fuel and oil must be obtained at the District transportation facility.

School Vehicle Use

School District vehicles are to be used for school business purposes. Employees are NOT to use a vehicle owned by the Wharton Independent School District for personal use (grocery shopping, etc.).

School Vehicle Use – Commuting

The district allows staff members to use vehicles (including buses) for commuting purposes only when in the best interest of the District and with the prior approval by the Superintendent.

How Travel Affects Your Time (For Non-Exempt Personnel Only)

In accordance with the Fair Labor Standards Act, travel that keeps an employee away from home overnight is considered work time when it cuts into the normal workday. Time spent away from the office, while on school business, will be counted as work time during regular working hours. This is true for regular working days as well as days when the District is closed. If you are still in transit after hours, the driver will get compensatory time. Passengers do not count hours after the regular workday.

An employee that has to travel to a special location (workshop, etc.) for out-of-district staff development that does not require an overnight stay and leaves from home can count travel time to that location and back home as work time. The District reserves the right to deduct from that time the time that would normally be spent traveling to Wharton ISD.

An employee who travels from home before the regular workday and returns to his/her home at the end of the workday is engaged in ordinary travel. This is not considered work time.

Rental Cars

If a rental car is required, prior to departure, please request a copy of WISD's insurance card from the Business Office. As rental cars are insured under the district's standard auto policy, additional auto insurance is not necessary and will, therefore, not be reimbursed.

STUDENT TRAVEL

Student Travel

Students should only be transported in vehicles owned by Wharton ISD. Employees are not permitted to transport students in personal vehicles as they may assume personal liability if involved in an accident.

When possible, all requests for student travel should be processed at least 10 days in advance. Requesting a District vehicle (bus, van, Suburban, etc.) can be accomplished by completing the "Travel Request Form" (available on the WISD website), having the travel request form and the budget code(s) approved by the appropriate budget manager(s), and turning it into the campus Secretary so a requisition can be made. The requisition is sent electronically to the Business Office for approval and follows the same approval process as found in the purchasing section of this manual.

Student Meals

It is the responsibility of each budget manager to determine when it is appropriate to provide students with meals. Any trip where students are fed, a sign in sheet with all students' names is required to be turned into the Finance office with receipts.

1. Group Meal at Pre-Arranged Restaurant (Preferred Method)

The group sponsor will make arrangements with a chosen restaurant. The students will eat together as a group. The restaurant should be made aware that the District is exempt from state sales tax and the sponsor shall bring the appropriate form with them. Student meal credit cards will be checked out by the responsible staff person and used to pay for the student meals.

Meal Allowance (Alternate Method)

If a pre-arranged restaurant cannot be practically utilized, then a "meal allowance" may be provided to each participating student. The current maximum allowance is \$10.00/student. A student meal credit card will be checked out by the responsible staff person and use to pay for the student meals.

All forms, student sign in sheets, and receipts must be returned to Accounts Payable within three days of returning from the trip.

All coach and sponsor meals will be reimbursed based on the employee meal allowance (see Employee Travel section). Reminder: employees are only reimbursed for meals when participating in an overnight trip.

Overnight Extracurricular Activities

When it is necessary for a student group to stay overnight, the group sponsor is responsible for making reservations. The students will be assigned to rooms as economically as possible while not putting students of opposite genders in the same room. When both male and female students participate in a school-sponsored overnight trip, they should be accompanied by at least one male and one female sponsor. It is the responsibility of the campus principal to ensure adequate travel accommodations are arranged and utilized. In the event that a chaperone of the same gender of traveling students is needed, the district will pay for one staff member to travel with them.

As with employee travel, the hotel should be made aware that the District is exempt from state sales tax and the sponsor is responsible for furnishing the appropriate tax exemption form. The Travel form should include the below information for principal approval.

- Event to be participated in
- Number of rooms required along with the number of nights
- Copy of the roster of participating students, sponsors, and employees to be housed should be attached as a note to the PO in Skyward.

Other allowable travel expenses of the employees must be listed pre-approved and will be reimbursed according to the Employee Travel section of this manual.

All student out-of-state travel must be approved by the School Board.

CASH MANAGEMENT

Cash Management

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

General Cash Management Guidelines

No post-dated checks should be accepted. Funds should not be kept in classrooms, personal wallets, purses, or in vehicles. No cash purchases should be made - every dollar collected should be receipted and deposited according to the collection procedures.

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

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

If money is reported missing, a report on all missing money must be submitted to the principal or department director who will then notify the Business Manager. Do not discuss the situation with anyone except the employee's supervisor who must be informed. A written report must be prepared and submitted to the Business Manager.

Persons who fail to adequately safeguard money in accordance with this policy will be held responsible for replacing any lost funds.

School District fund receipts shall only be deposited into District bank accounts authorized by the finance office. Utilization of unauthorized bank accounts (accounts not under the control of the district) is strictly forbidden.

Receipt of Cash or Cash Equivalents

All cash and checks received from campuses and departments should be counted, receipted, and prepared for bank deposit by the administrative assistant on a daily basis. The bank deposit confirmation receipt shall serve as the official documentation of all cash collected. The audit trail for all deposits shall include the single receipts, athletic or ticketed event form, or other documentation that support the deposit. A safe is provided on each campus for safe keeping of cash and deposits until it is taken to the bank.

General Receipt Issuance Guidance

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

- Receipts should be issued for any money received by the District.
- An official receipt book with pre-numbered, bound receipts in triplicate must be used for each receipt. Each receipt must be fully complete for each transaction.

- o Original receipt shall be white and is given to the individual paying the money.
 - o Second copy shall be yellow and is attached to the deposit ticket.
 - o Third copy shall be pink and is kept intact in the receipt book for future reference.
- Only cash receipt books approved and issued by the principal/director are to be used. New and unused receipt books should be properly safeguarded until they are issued to an individual.
- Both parties to the money exchange should be present when the money is counted & receipted.
 - Receipts should not be altered.
 - Voided receipts must be re-attached to the receipt book.
 - Receipts must be used consecutively.

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

- Date - the date the money was received
- Received from - Payee - the full name of the person paying the money
- Dollars - the actual amount collected in dollars and cents
- For - the reason for the payment
- By - the signature of the person receiving the money

Collection Procedures

Collected by Teachers

Teachers who receive money from a group of students may elect to document the amount received from each student on a sheet of paper. List each student's name, the amount of money received, and the purpose of payment. This list must be turned into the campus office with the money and the secretary or principal should write one receipt to the teacher acknowledging receipt of the money.

Collected by Athletic or Other Ticketed Event

Cash and checks collected for athletic or other ticketed events (plays, concerts, etc.) shall be reported on an athletic gate receipts or ticketed events form, or individual receipts, as appropriate for the event. The form shall state the beginning and end numbers in writing and be completed by the tickets taker and submitted to the department secretary on the same day of the event, as appropriate. If the event is after hours, the ticket taker may submit the cash and appropriate form or receipts to the secretary on the next business day. The cash must be secured overnight in a locked safe.

Both the ticket taker and secretary shall count the funds to ensure that the amount is verified at the time the funds are submitted to the secretary.

The secretary shall forward the form and funds to the finance office for deposit.

Collected by Secretary

Cash and checks collected by the Secretary may include the following:

- Student payments for lost textbooks (during summer months) and damages to property
- Staff reimbursements of travel funds
- Donations from external sources

All checks shall be stamped upon receipt for endorsement purposes.

By the end of each day, the funds shall be prepared for deposit into the district's depository bank and secured in a bank bag. Deposits which cannot be deposited on the same day shall be secured in the safe.

Investments

The Superintendent and Business Manager are the designated investment officers for the District.

Federal Funds

Federal funds must be accounted for and expended in accordance with federal statute, state laws, and the terms and conditions of the award.

Wharton ISD utilizes the reimbursement method of payment requests for federal funds. The district has determined that it will not accept advance payments. Federal funds are drawn down from the expenditure reporting (ER) system only after the payment has been made and distributed to the vendor via mail, e-payables, or other delivery method. TEA has defined reimbursement as drawing down funds on, or after, the day the District has mailed, delivered, or submitted an electronic payment. The District tracks the date it mailed, delivered, or submitted an electronic payment as proof for reimbursement method. Under the reimbursement method, the District is not required to deposit funds in an interest bearing account. The draw-down of expended funds shall be net of all rebates, refunds, contract settlements, audit recoveries, and interest earned, as appropriate.

The Business Manager shall be responsible for preparing and certifying the draw-down of federal grant funds. The electronic certification process only occurs in the Expenditure Reporting TEA online application (TEAL/TEASE) after receiving written approval from the appropriate grant manager. Draw-downs shall be recorded on the general ledger as receivable when the draw-down process is complete and posted to the cash account upon receipt of the receivable.

Donations

Any donation that is discretionary and under \$1,000 has the option to be deposited in the Campus Activity Account. If it is larger than \$1,000 or a grant with particular guidelines, then it must be deposited by the district.

ACTIVITY FUNDS

Activity Funds Procedures

1. Purpose of Activity Funds

The activity fund is designed to account for funds held by a school in a trustee capacity or as an agent for students, club organizations of the campus, teachers and the campus administration. 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 activity fund is delegated to each campus and must comply with Board policy CFD (Local) and the guidelines and procedures required by this manual.

2. Accountability & Responsibility

The State Board for Educator Certification requires that educators safeguard and account for student funds entrusted to them. The Code of Ethics and Standard Practices for Texas Educators states, "The educator shall honestly account for all funds committed to his or her charge and shall conduct financial business with integrity."

The **principal** is responsible for overseeing proper collection, disbursement and control of all activity funds at the school. It is recommended that the principal not solely be involved in counting and collecting activity fund money. The principal is NOT responsible for funds controlled by parent organizations, booster clubs, etc. Per TEA guidelines, these funds may not be accounted for in the District's activity funds.

The **campus secretary** is responsible for maintaining activity fund forms, issuing cash receipt books as needed to persons involved in the management of activity funds and maintaining official activity fund records. This person is also generally responsible for depositing activity funds in the bank and for accounting and financial reporting of activity funds.

Activity fund **sponsors** are responsible for managing their respective activity fund accounts. This should include developing fundraising plans, monitoring the financial position of their account and safekeeping activity fund money. The sponsor must document all cash collections by the use of receipts and a cash receipts journal or collections list. If so designated by the principal, they may also be responsible for depositing funds. Activity fund sponsors are responsible for attending annual training and review sessions sponsored by the Business Department and for developing a budget for use of activity funds prior to the start of each school year. Activity funds should be raised and spent on the students in the current fiscal year. It is understood that some money be carried over to begin the next school year.

3. Financial Audit

Activity funds shall be included in the District's annual financial audit. Additionally, the District may perform internal audits of activity funds.

4. Retention of Records

Activity fund records shall be kept for 3 years after the conclusion of the fiscal year in which the transaction occurred.

Postdated checks shall not be accepted. Receipts shall be numbered, prepared in ink and must show the date, amount received, source of the funds (dues, candy sales, etc.), the activity fund account name, the person submitting the money and the signature of the party issuing the receipt.

All teachers or sponsors shall keep a cash receipts journal (or collections list) which documents cash/checks collected daily and from whom it was received. Money collected shall be given to the campus secretary daily and the teacher or sponsor shall receive a receipt from the campus secretary. The total on the receipt must equal the total of the cash receipts journal for that day. This creates an audit trail of the money handled by the teacher.

An actual cash count by the person signing the receipt shall be made in the presence of the person turning in the money. The total of cash and checks received shall be shown separately on the receipt.

A copy of the receipt shall be given to the person submitting the money.

Originals of receipts must be retained in the activity fund receipt book.

Under no circumstances shall a receipt amount or the signatures be altered. If an error occurs, the receipt shall be voided and a new receipt issued. Voided receipts must be retained in the activity fund receipt book.

Receipts are not to be pre-signed or pre-dated.

Deposit slips shall include receipt numbers to allow for an audit trail.

5. Expenditures

All expenditures shall be paid by pre-numbered check from the activity fund checking account. Checks must never be pre-signed, made out to "Cash" or issued blank. No expenditures shall ever be made using collected cash.

All checks written from activity/agency checking accounts must have two authorized campus signatures.

The principal shall approve no expenditure of funds unless sufficient funds are available in the appropriate activity account. If a transfer or loan between activity accounts is made, there must be proper documentation approving the transfer or loan. Loans shall be repaid by the end of the fiscal year in which the loan is granted.

In order for a check to be generated, the school shall complete an Authorization for Payment form which includes:

- Payee name and address
- Purpose of expenditure
- Amount of check
- Name of activity fund account
- Activity fund budget account code
- Signature of sponsor and principal.
- An original invoice, cash register tape or other supporting documentation must be attached to the Authorization for Payment.

6. Payments for Contracted Services

In order to insure issuance of an IRS 1099, payments for contracted services shall not be made directly from activity funds. Instead, the payment shall be made through the campus budget and a check written from the activity fund to WISD General Fund to reimburse the budget.

7. Deposits

As cash is collected and counted, deposit slips shall be completed by the campus secretary (or sponsor if so designated). When properly validated by the bank, these deposit slips serve as evidence of money deposited on specific dates. These slips are supporting documents for accurate cash recordkeeping and shall be retained as a financial record of the District.

All checks shall be endorsed as follows as soon as they are accepted:

- For Deposit Only
- Name of School Activity Fund
- Account Number

Deposit slips shall be prepared in triplicate and include the following:

- Date and amount
- The cash receipt number(s) issued that make up the deposit.
- A list of each check in the deposit and the name of the payer.
- If a Collection List is used it may be attached to the deposit slip.

All cash and deposits should be secured in the campus safe.

8. Bank Statements

All bank accounts shall be reconciled monthly as soon as statements are received. When properly reconciled, the bank statement serves as official support for the cash balance indicated in the activity fund records. The principal shall document approval of the bank reconciliations by signing the monthly account reconciliation report.

9. Check Cashing

Cashing of personal checks shall not be allowed.

10. Returned Checks

A check which was previously deposited may be returned by the bank for insufficient funds, improper signature or account closed. When a check is returned by the bank, the procedure shall be as follows:

- The campus secretary (or sponsor) shall immediately notify the maker of the returned check and request that it be redeemed with cash, money order or cashier's check.
- Under no circumstances shall the returned check be surrendered to the maker unless it is redeemed as above.

- If the payer fails to respond within 10 days, a Certified Mail Letter shall be sent notifying the payer that unless payment is received within the next 10 days, the returned check will result in prosecution.
- If the payer does not respond to the Certified Letter, notify the Business Manager for resolution.
- No checks shall be accepted from a party who has failed to redeem a previously returned check.
- Retain all bank memorandums in school files.

11. Fundraising Activities

Fundraising activities are not confined to regular school hours but are considered an extension of the school program. When fundraising 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.

To request permission to conduct a fundraising activity, the sponsor shall complete the application portion of the Fundraising Application and Financial Recap form and submit it to the principal for approval.

12. Accounting for Fundraising Activities

The sponsor is responsible for keeping accurate records for all fundraising activities. Such records shall include at a minimum:

- Product distribution lists
- Daily receipts journal or collections list
- Cash receipts received for money turned in to the campus secretary
- Income/Expense Report

Within one week of the conclusion of the fundraising activity, the sponsor shall submit an Income/Expense Report form to the campus secretary. This report shall list all money collections and all expenses incurred relative to the fund raising activity, thus arriving at a net income amount.

Using the information provided on the Income/Expense Report, the campus secretary will complete the Financial Recap portion of the Fundraising Application form.

13. Fund Raising Activity Sponsor Responsibilities

- Submit a Fundraising Application to the principal for approval.
- Document merchandise distributed to students for sale.
- Collect all applicable sales tax and report to campus secretary.
- Maintain a daily receipts journal or collections list.
- Full payment must be made before fundraising merchandise is delivered to purchaser.
- Under no circumstances shall checks be held until a later date or postdated to accommodate a purchaser.
- Safeguard all collections in a locked, secured location.
- Turn in collections daily to the campus secretary and obtain receipts.
- If so designated, make bank deposits and submit deposit slips to the campus secretary.
- All expenditures must be paid by check from the activity fund.
- NO EXPENDITURES SHALL BE MADE USING UNDEPOSITED CASH! Supporting documentation must be provided for all expenditures.
- Within one week of the conclusion of the fund raising activity, submit an Income/Expense Report to the campus secretary.

- Maintain fundraising activity records for 3 years after the conclusion of the current fiscal year. These records are subject to review by the independent auditor and campus and central office administration.

14. Taxable Purchases and Sales

Each club or group can have two tax free fundraisers annually. For approval of additional fundraisers, please contact the principal and/or the assistant superintendent for curriculum and instruction.