

Cleveland School District



#COMMITTEDTOEXCELLENCE

Business Office Procedures Manual

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Central Office Contact Persons

Accounts Payable	Wendy Sullivan
Activity Funds (budget)	Michelle Wade
Activity Funds (deposit)	Gwendolyn Jones
Assistant Teachers	Building Principal
Bids, Legal Advertisements	Charles Johnson/Jessica Pulley
Budgets	Jessica Pulley/Michelle Wade
Bus Permits/Travel Tracker	Wendy Sullivan
District Library Supplies	Nikki Montgomery-Towers
Employee Insurance / Benefits	Amelia Ford/Tacarra Thomas
Facilities Usage	Charles Johnson
Family Medical Leave Act	Amelia Ford
Federal Programs	Nathan Towers
Fixed Asset Records	Simuel Wade
Food Service	Shenika Newson
Fundraisers	Shelia Bell
Insurance	Jessica Pulley (Property & Liability) Amelia Ford (Worker's Comp)
Payroll	Tacarra Thomas
Personnel, Contracts & Employment	Dr. Lisa Bramuchi/Amelia Ford
Purchase Orders and Requisitions	Gwendolyn Jones/Jessica Pulley
Sixteenth Section	Simuel Wade
Special Education Funds	Markeita Brinkley/Sheila Johnson

Student Records	Anna Bennett
Student Teacher	Nikki Montgomery-Towers
Substitute Teacher	Amelia Ford
Textbook Orders	Nikki Montgomery-Towers
Technology	Charles Johnson/Ked Wilson
Title I, II, IV, VI	Nathan Towers
Time Clocks	Amelia Ford/Tacarra Thomas Jessica Pulley
Travel	Martina Moore
Voided Checks	Wendy Sullivan/Jessica Pulley

Purchasing Laws and Definitions

Mississippi Code Sections 31-7-12 and 31-7-13 govern purchases by school districts, which are referenced using “governing authority” statutes.

The purchase amount is the cost of each purchase order, excluding freight and shipping charges. School districts are exempt from paying sales tax. The amount of a purchase determines the applicable purchasing laws that govern it.

Commodities are goods, merchandise, furniture, equipment, automotive equipment, and other personal property purchased by the Cleveland School District.

Many commodities are listed on the state contract price list. They can be purchased without bids or quotes from a vendor approved for the state contract or from any other vendor offering the identical commodity at the same price or below the state contract price. State purchasing contracts can be found at www.dfa.state.ms.us.

Any purchases of services utilizing federal funds that exceed \$5,000 will require at least two quotes or submission of a published Request for Proposal (RFP) for documentation of the lowest and best price. This includes professional development, medical services, educational consultants, and other related services.

Note: You must attach a copy of the State Contract as part of the purchase requisition process. Please upload this documentation to avoid having your purchase requisition denied.

For commodities costing \$5,000 or less

You may buy from any vendor for the "usual and customary" price. Two quotes are only necessary for federally funded purchases, as explicitly restricted to \$5,000 per U.S. Department of Education regulations.

Exemption: Single Source Items

Procedures

- Written documentation detailing the steps taken to obtain a second quote and the reason why there was no success obtaining it, such as, but not limited to, phone call attempts with date/time, and written information from a vendor outlining the exclusion to provide the product or service.
- This policy will only apply to commodities costing \$5,000 or less; purchasing procedures must be followed for commodities exceeding \$5,000.
- The school or department requesting the exemption must submit written documentation to the business department for review before the board approves it. (Board Policy, DJE, DJED)

For commodities costing more than \$5,000 and not more than \$75,000

Commodities costing more than \$5,000 but not more than \$75,000 require at least two quotes from competing vendors. Quotes must be on our bid form or the vendor's letterhead and signed by the vendor's representative. They may also be made by email or fax.

For commodities costing more than \$75,000

The school board must advertise and accept formal bids. The advertisement must run once each week for two consecutive weeks. Bids may be opened no less than seven working days after the last advertisement for bids. The process could include electronic bidding or a reverse auction.

For services costing less than \$10,000

Only one quote is required for services valued at less than \$10,000. Although not required, it is highly recommended to obtain a second quote to ensure that we are receiving the lowest and best price

For services costing \$10,000- \$250,000

All purchases of services between \$10,000 to \$250,000 must have (2) price quotes from qualified sources.

For services costing \$250,000 or more

Any services over \$250,000 must be awarded using the competitive bidding process outlined in the Uniform Administrative Requirements (2 CFR Section 200.320(c)-(d)).

Purchases exempt from bid requirements

- Purchasing agreements approved by the DFA
- Outside Equipment Repairs (except entire assemblies)
- In-House Equipment Repairs (except entire assemblies)
- Raw Gravel or Dirt
- Governmental Equipment Auctions
- Intergovernmental Sales and Transfers
- Perishable Supplies or Food
- Single Source Items
- Waste Disposal Facility Construction Contracts
- Energy Efficiency Services and Equipment
- Library Books and Other Reference Materials
- State Adopted Textbooks

- School Yearbooks

Note: Federal Regulations require that each federally funded purchase provide (attach to each requisition) documentation that the chosen vendor is not disbarred from doing business with the federal government through the search of vendor records at www.sam.gov. To streamline this process, the Cleveland School District requires all federal purchases to include an attachment from www.sam.gov.

Emergency purchases

Emergency purchases are exempt from bid requirements but must be documented and approved in advance by the Superintendent, who must then justify the expense to the school board for their approval. If there is no anticipated immediate detriment to the school district, a purchase is not an emergency.

[Please use the Emergency Purchase Form to process this request.](#)

Open Purchase Orders (For Operational Departments Only)

Policy DJEG grants the use of open purchase orders.

Procedures:

1. All open purchase orders must be approved by the school board, which includes the vendor and the amount of the purchase for the fiscal year.
2. Open purchase orders must be reviewed weekly to ensure invoices are received for payment.

Types of Purchases

The basic categories of purchases are supplies, equipment, services, and travel. All purchases require advance approval by the Superintendent, the district's bonded purchasing agent.

Purchase orders are required for supplies, equipment, and services. Staff travel requires an approved "Request for Travel" form and a corresponding purchase order.

Supplies are tangible products, including consumable items such as computer paper and small equipment like calculators. Software is a supply unless it is bundled into the price of a new computer. Repair parts are supplied.

Equipment purchases must be tagged and added to the district's fixed assets inventory, if applicable. The "Fixed Asset" section of this manual provides additional information on equipment purchases.

Services are purchases of time from a business or an individual who is not employed by the school district. Examples include payments (and any associated travel expenses) for contracted

speakers, technicians, consultants, security personnel, and repairs to buildings or equipment. Extra work performed by a district employee is not a purchased service but is a payroll expense.

Travel purchases are reimbursements to district employees who attend functions outside the typical workplace. The district uses the Department of Finance's federally approved rate to reimburse employees for meals and mileage, as well as a mileage schedule for most places where employees travel. Meal reimbursements are made only when overnight travel is required (Internal Revenue Service requirement). The district's Direct Deposit Authorization Form must be completed and on file before refunds can be made.
(Exhibit B)

Special Cases of Advertisement of Bids

ALL contracts require school board approval. Leases, lease purchases, and printing annuals are examples of contracts that could cost an employee who fails to obtain prior school board approval. The district is obligated only by the school board. Purchasing items from a state contract or EPL (Express Products List) requires the state contract or EPL number to be on the first line of the requisition.

Purchases for which we must advertise and accept bids require planning and preparation. The school board must first authorize advertising for bids. Next, advertising and receiving bids typically take about four weeks, but may take longer, especially if the bid specifications are inadequate. After bids are opened and the results compiled, we recommend to the school board which bid we feel is the lowest and best. The school board must then approve or disallow the actual purchase. We can issue a purchase order only after all the above requirements have been fulfilled.

Purchasing Procedure for Supplies, Equipment, and Services

Advance approval by the Superintendent is necessary for any purchase. The district is obligated to a vendor only after the Superintendent has signed a purchase order. Purchases made without a signed purchase order are the obligation of the individual making the purchase, not of the school district.

The district's deadline for purchasing supplies and equipment is April 15th. This deadline allows adequate time to receive and pay for merchandise before the fiscal year ends, which is especially important when purchasing from state or federal grants.

Step-by-Step Purchasing Procedures are found in Appendix A.

Purchase Requisitions

Purchase requisitions start the purchasing process. Requisitions are entered at the school level. After the principal approves the need for a purchase, the secretary will key a requisition in Marathon Software and then submit it. The system will forward it on to the approving supervisor and then on to the business office. Approval is not automatic at the school level because it

indicates that budgets have been reviewed, that the expense is necessary, and that it satisfies the school's action plan needs. All federally funded requisitions must have the 'www.sam.gov' vendor report to ensure compliance with federal regulations. The report must be electronically attached to the requisition before it is submitted to the business office.

Purchase Orders

Purchase Orders are issued after it has gone through the district's approval process. The Superintendent's signature is the last step in the issuance cycle. An electronic copy of all purchase orders will be emailed to the originator who submitted the requisition. This person is responsible for forwarding the validated copy of the purchase order to the vendor.

At any point in the purchasing cycle, a requisition may be denied, at which time it will flow backward through the system, returning to its originator. Generally, an electronic note will be attached detailing the reason for disapproval of the requisition. Once the reason for disapproval has been addressed, the requisition can be resubmitted to the business office for review.

The originator should handle contacting the vendor to order the supplies and materials itemized on the purchase order. Only items on the purchase order can be purchased. ALL shipments are required to be delivered to the warehouse for check-in. The warehouse clerk will check the merchandise and coordinate deliveries to your schools.

Paying for Purchases is critical to the district's credit rating, reputation, and integrity. Payment can occur only after the school board approves a monthly claims docket. However, the school board is bound by legal limitations when it approves a claims docket.

Invoices must be submitted to the business office, along with verification that the merchandise or services have been received. Items coming into the warehouse are generally documented sufficiently for board approval.

Purchases of merchandise entering schools or picked up by school employees are often not adequately documented. The Principal is responsible for submitting invoices and receipt slips to the central office for payment.

When invoices are received at the school:

- Sign and date the invoice, along with a copy of the purchase order, certifying that you have received the merchandise or service.
- Make a copy of the invoice for your records.
- Deliver the invoice to the reception desk at the central office as soon as possible. Do not wait until the cut-off date to submit your invoices.

Travel Process

A two-sided document travel form should be used for both travel approval and reimbursement. The superintendent requires advance written approval, which is obtained using a “Request for Travel” form (Exhibit C).

Requests for reimbursement for in-state travel and advances for out-of-state travel should be submitted on the “Travel Voucher” form (Exhibit C.1). After approval by the school board, they are paid on the monthly claims docket.

Travel Procedures

Before the trip:

1. At least one (1) month before the travel event, the employee should submit a Request for Travel form (Exhibit C) to the Principal’s office. The form should be completed on the front side. Documentation must be attached to the form, which includes the registration form, dates, agenda, and conference description. The Cost line items need to be as accurate as possible. Before submitting this form to the Central Office, the Principal and the employee requesting travel must sign it. If the school maintains the requested funds, then the proper coding should be added to the Cost line items.
2. The Request for Travel form (s) is delivered to the Deputy Superintendent at the Central Office within three (3) days of the supervisor’s approval. The Deputy Superintendent will determine the necessity of the trip. The Federal Programs Coordinator (if applicable) and the District Accountant will verify the availability of the funds requested for payment of the travel. After the District Accountant completes verification, the travel form is submitted to the Superintendent for final approval. After the Superintendent's approval, all travel forms are sent to the district’s travel clerk for processing.
3. The actual travel process begins at this point. The employee and supervisor will receive an email indicating whether the travel was approved or disapproved. If additional information is required to complete the travel request, please provide it at this point.
4. The travel clerk books all travel charges. Registration, hotel costs, airline tickets, meals, and mileage. The travel clerk and Business Manager are the only district employees authorized to secure hotel reservations, airline tickets, rental cars, and other registrations where payment is required.

During the trip:

1. Regarding in-state travel, meals are reimbursed on a per diem basis, according to the reimbursement rate listed on the DFA's website. It is not necessary to keep meal receipts. However, as mandated by IRS regulations, meals are reimbursed only if the travel requires an overnight stay. Meals provided by the conference will not be reimbursable to the employee.
2. Regarding out-of-state travel, money is advanced for meals and mileage. Baggage expenses, hotel and airport parking, or airport shuttle costs will be reimbursed upon completion of travel. Receipts must be submitted within three (3) days upon returning from travel; no receipts, no reimbursements.
3. Room receipts must be kept and returned to the district, whether the room expense is paid directly to the hotel or the employee. If the hotel stay is for more than one (1) night, an itemized receipt is required.

After the trip:

1. Accounts Payable will process the second side of the travel form, a Travel Voucher (Exhibit C.1), and the conference agenda. An employee does not need to complete this side of the form. Please note that this reimbursement form will not be processed until all receipts have been submitted to the travel clerk and forwarded to Accounts Payable.
2. The district's Direct Deposit Authorization Form must be completed and on file before reimbursements can be made. (Exhibit C.2)
3. It is recommended that you keep a copy of everything you send to the Central Office. The law requires that we maintain original documentation for travel vouchers in our accounts payable files.

Employment of Personnel

Advance approval by the school board is necessary before personnel can be hired.

All new employees are required to provide permission for the district to conduct a criminal background check and a child abuse check before their employment. Additionally, pre-employment drug testing is a requirement for employment in the Cleveland School District.

Teacher contracts will not be issued unless the employee holds a valid teaching certificate. We are permitted to enter into a contingent contract with individuals who anticipate licensure by the state. However, if the employee fails to obtain the expected certificate, they are liable to the district for prior payments received in excess of the daily substitute pay rate.

Employment of Personnel Procedures

A completed Interview Form, a Reference Sheet, and a completed and signed Employment Recommendation Form must be submitted by the Principal to the Personnel Department at least five days before the board meeting.

The applicant must be recommended to the school board. If the school board approves the recommended person's employment, it is entered in the minutes of the board meeting.

The new employee must sign documents requesting background checks, sign a contract, and complete various employment documents for tax, insurance, and retirement purposes. These documents allow us to pay the new employee.

Employment Terminations and Resignations

The school board must approve all terminations and resignations of employees.

Termination Procedures

The Principal/Director recommends terminating employees to the Superintendent. The Superintendent investigates and makes a final recommendation to the school board. The school board then approves the Superintendent's recommendation, and the action is recorded in the minutes of the board meeting.

Administrative supervisors must ensure that all keys, IDs, fuel cards, and cell phones are immediately returned to the school district.

Retirement Procedures

The employee should obtain a retirement packet from the Human Resources Department at the Central Office at least six months before the anticipated retirement date. The packet contains information to be supplied by both the employee and the employer.

The potential retiree must submit a letter stating their retirement intentions to the Office of the Superintendent for approval by the school board, as noted in the minutes of the board meeting. Additionally, if the employee elects to be paid for unused sick leave, a request for that payment should also be included in the letter informing the Office of the Superintendent of the employee's retirement plans. A copy of the said letter should be provided to the Payroll Department and the Human Resource Department.

It is the practice of the Cleveland School District to certify all unused leave to the Public Employees' Retirement System (PERS).

Payroll

A properly functioning payroll system is critical to the school district because nothing is more personal to employees than their paychecks. For the payroll process to function correctly, the administrator of each facility must adhere to the timetables and reporting formats outlined in this manual.

Payroll earnings will be deposited into your bank account on the last working day of each month.

Kelly Educational Staffing employs substitute teachers; refer all calls to Kelly Educational Staffing at 662-842-9602 ext. 2.

Federal Wage and Hour legislation requires us to maintain records every week of the time worked by all non-certified employees. The Cleveland School District has utilized a biometric time clock system to document hours worked. Those records include verification by the employee that their time is reflected accurately. It is the building administrator's responsibility to verify the accuracy of those records. Timesheets are submitted to the Payroll Department by noon each Tuesday. The employee and their immediate supervisor must sign each timesheet. Their signature means that all parties agree that the time reflected on the timesheet is accurate, and a leave record should be processed for any time not reflected. Please refer to the Marathon Procedure (Exhibit D) for directions on correcting time – REQUEST TIME EDIT.

Overtime pay is not permitted for any school district employee. If it is necessary for an employee to work more than 40 hours during a week, the building administrator must contact the Superintendent and obtain written authorization by completing the Overtime/Compensatory Time Authorization Form.

COMPENSATORY TIME off will be awarded to each employee who qualifies. See Board Policy GCRAA.

The Board of Education amended time clock procedures to address excessive time edits requested by employees.

Payroll Procedures and Timelines

Monthly Reports must be submitted to the Payroll Department on a schedule set by this office. The payroll cutoff dates are posted to our Active Resources page for your reference. Please make copies for any of your staff who may find this pertinent to their position.

Descriptions and Guidelines for Monthly Reports:

Leave requests and absences must be submitted using Active Resources, regardless of the leave balance. Even if all leave is exhausted, you must still enter a leave record in Active Resources. Directions for printing the time cards can be found in the Marathon manual. Employees are paid based on documentation from the time clock, not handwritten reports.

Monthly Payroll Report

- Hourly or extra pay must be approved in advance by the Superintendent.
- A copy of the request for approval is to be sent to the Payroll Department
- You must clock in and out for all hours worked. If the time is not reflected on the timesheet, the payroll department will not process the time.
- The employee, their supervisor, and the Superintendent must sign the form.

Direct Deposit Authorizations (Exhibit I)

The CSD Direct Deposit Authorization form shall be completed and on file in the payroll office. To ensure the accuracy of the information, please choose from the following list (all options require the signature of the employee):

- Print out from the bank with the routing and account number
- voided check
- a written statement from the employee with the required information
- A copy of the money card and the needed information

Note: If the district or an employee changes bank accounts, new authorization forms are required. The changes should be made in person as soon as possible.

Authorization for Payroll Deduction Changes

- No changes can be made without the employee's written authorization.
- The cafeteria plan's terms and conditions limit changes. If direct deposit or tax withholding forms are changed during June and July, they will not take effect until the August payroll. This only applies to employees who work 199 days or fewer per year.

Tax Withholding Change Forms

- Changes to an employee's federal withholding taxes require that the employee submit a new W-4 form to the Payroll Department.
- Changes to an employee's state withholding taxes require the employee to submit a new Form 89-350-98-1 to the Payroll Department.

CSD's Active Resources website provides direct deposit slips, tax forms, and insurance information.

Note: Employees with name and address changes should be directed to the Human Resources Department. A valid form of government-issued ID is required for all name changes; employees are responsible for ensuring that all personal information is correct with the Central Office.

Insurance

Employee Health Insurance

Open enrollment for health insurance occurs during the month of October each year. All changes made during open enrollment will not take effect until January 1st of the following year. Employees who have previously waived coverage or want to add dependent coverage can do so during the open enrollment period.

New employees must enroll in or waive health insurance coverage 30 days after their hire date.

Employee Life Insurance

The amount of term life insurance for which an employee is eligible is twice the employee's annual salary, rounded up to the next thousand dollars. However, the minimum amount is \$30,000, and the maximum is \$100,000.

The total monthly cost of the life insurance is \$.18 per thousand dollars of coverage. The district will pay half the premium, and the employee will pay the other half.

For example, an employee earning \$25,000 for the fiscal year would be eligible for \$50,000 worth of insurance. The total cost of the insurance would be \$9.00 per month, but the employee would pay only \$4.50 per month.

New employees can enroll when hired. Any employee who previously waived insurance can apply for life insurance, but the effective date will be set after approval by the insurance company.

Worker's Compensation

Each school should have forms titled "WORKERS' COMPENSATION – FIRST REPORT OF INJURY OR ILLNESS" (Exhibit F), which must be filled out for each reported injury. We must complete the form as soon as possible to avoid penalties.

Please designate someone in your office to prepare the forms. Type the forms. Some items on the form are either already complete or will be completed by the central office. Please contact the Human Resources department if you need assistance.

After completing the form, please retain a copy for your records and submit the original to the Human Resources department.

If you receive paperwork or bills from a doctor, hospital, etc., concerning a claim, make a copy of the paperwork for your files and submit the originals to the Human Resources department.

Property Insurance

Any theft, vandalism, lost equipment, or damage to buildings or equipment must be reported to the Central Office for property insurance purposes. Report the damages to the police so that you will have a police report on file regarding the loss. Submit a copy of the local police department report to the Business Manager. Additionally, if the equipment is on the district's Fixed Asset inventory, please send a copy of the police report to the Fixed Asset Clerk. The district will not request approval from the school board to dispose of the asset without a timely police report. The building administrator and department leader will be held responsible for the cost of the missing item(s).

Use of School Buses & Vans

If you plan to use a district school bus for any activity, you must submit a request to use a bus through the Travel Tracker software. It must be approved at least five days before the travel date. Print a copy of the approved request, as it contains a checklist for the driver to complete before the trip. It also has contact information for the bus driver, supervising faculty member, and chaperone for your reference.

Buses can only be operated by properly licensed bus drivers who have undergone the required driving and medical tests. The transportation supervisor makes arrangements for personnel to drive buses. Bus Permits must be completed for every use of the school bus, except for day-to-day transportation of students to and from school. The bus permit must be held by the bus driver during the activity trip.

The principal reports the bus driver's time for activity trips for payroll purposes. Bus drivers will be paid an hourly rate for all hours spent driving during extracurricular activities. The principal is also responsible for paying for the bus permit after the trip is completed. Currently, we charge \$1.50 per mile to use a bus. No charge is applied for in-town trips (Exhibit O.2). After the trip, the bus permit must be returned to the Accounts Payable and Payroll departments within three days of the trip. If the documentation is not submitted, it will be presumed that the trip took place, and we will process the fee payment to the district using the accounting code it was initially charged to. The fee to use the school vans is a flat rate of \$100. The school will assess a 'clean-up' charge of \$50.00 if vehicles are not clean when returned to the district.

Fixed Asset I

Inventories and Purchases

Accounting for Fixed Assets is both an accreditation standard and an audit requirement. The state may hold our funds if we do not adequately maintain our Fixed Asset inventory.

Equipment costing \$500.00 or more is a Fixed Asset. In addition, some items costing less than \$500.00 are defined by the State Audit Department's Fixed Asset policy as "highly walkable" items. Included in the "highly walkable" category are televisions, cameras and camera equipment, DVD players, two-way radio equipment, computers, and computer equipment, other small electronic devices, air compressors, chain saws, generators, welding machines, lawn maintenance equipment, cellular telephones, and motorized vehicles.

Data required to maintain for Fixed Assets consists of asset classification, acquisition date, physical location including room number, serial number, model number, original cost (or value, if donated), identification of funds buying the asset, check number, purchase order number, vendor identification and the inventory tag number assigned to the asset.

The central office and the school both must track the purchases. The auditors who verify our Fixed Asset inventory each year base their information on adding or deleting items from the Fixed Asset inventory on our accounting records and school board meetings. The coding of purchase requisitions is essential when buying equipment. Fixed Asset purchases require an expenditure object code number of '731-737'. If the smaller equipment you buy does not require tagging, then code the purchase with a '610' (supply) or '740' (non-capitalized furniture or equipment) object code.

Purchase Requisitions for Fixed Assets must be submitted separately from supplies and/or services. No other types of purchases, except for equipment, should be included with that specific requisition. You may include multiple pieces of equipment on one requisition, but the cost of each piece of equipment must be displayed separately on the requisition.

Purchases will be tagged at the warehouse upon receipt of the equipment. If you accept a donation of equipment (Remember, donations require school board approval before acceptance), or if purchased equipment is delivered to your school instead of our warehouse, please contact the Fixed Asset Clerk. He/she will make arrangements with you to get a tag applied to the equipment.

Any loss or disposal of Fixed Assets must be approved and recorded in the school board meeting minutes. Documentation of stolen items must be submitted within 48 hours of the incident. The school board requires timely police reports for stolen or destroyed equipment. The building administrator and/or employee is financially liable for any fixed asset losses not acknowledged in the school board minutes.

Fixed Assets moved within your building or to another building must be reported promptly using a Fixed Asset Change Form (Exhibit H) to the Fixed Asset Clerk. Even if district technicians or maintenance workers move the equipment, you must still track and report the asset movement.

Schools will be allowed to dispose of fixed assets on a quarterly basis. These proposed disposal items should be placed securely until the disposal rotation. The exact date of pickup will be emailed to each location at least one week before the scheduled pickup date.

Activity Funds Overview

Activity funds are described as “all funds received by school officials in all school districts paid or collected to participate in any school activity, such activity being part of the school program and partially financed with public funds or supplemented by public funds.” Funds raised by PTA, PTO, Booster Clubs, and similar organizations are not school funds. If those organizations donate money to a school, then the funds become activity funds. (See Exhibit K for booster club policy procedures.* Pending board approval.)

Our district uses a centralized accounting system to maintain records for activity funds, which means the central office issues all purchase orders, checks, receipts, and reconciles all bank accounts. Schools are not only not allowed to establish bank accounts, but they may also incur criminal liability if such an action is taken.

The school board controls and sets policies for activity funds.

Activity funds at the secondary and middle school levels consist of two entirely different types, and they must be classified as either “general” or “club” funds. Elementary schools have only “general” activity funds. All funds are considered “general” funds unless the money in the fund belongs to students.

Club Funds

If the money belongs to students, then the funds are “club” funds, meaning, as the name implies, that the money belongs to a school-sponsored club. State auditors require that the school board approve any and all “clubs” established in the schools. You may not set up a club without the school board’s approval. The ‘club’ must have officers and minutes of regular meetings. The students direct and authorize the expenditure of their funds through the minutes approved by the club.

In addition to the club's approval, the school board must approve the methods by which a club will raise funds and the anticipated use of those funds. The school board must also identify a club sponsor for each club.

The laws allowing clubs to exist are intended to give student members the flexibility to operate their clubs without having to follow state purchasing laws. The key terminology is “student members,” and the auditors will monitor purchases to ensure that students spend the money. Clubs may not spend more than they have in their bank account.

Intentionally misclassifying a purchase as a “club fund” purchase instead of a “general fund” purchase violates state law. Unless a student club benefits directly from a purchase, auditors consider the purchase a “general” activity fund purchase.

Principals are required to establish an accounting fund for each club's financial transactions, both for transactions within the club itself and for transactions with the school board.

Activity Fund Guidelines

State laws limit expenditures of activity funds to travel and commodities. You cannot pay employees through payroll from Activity funds, nor can you donate money.

Procedure for Receipts to Activity Funds

State laws and district policies dictate the procedures for receiving funds into activity accounts. Your receipts must be written in a bound receipt book supplied to you by the central office. Contact the Accounts Receivable Clerk for receipt books, as she is responsible for maintaining a log of the receipt numbers for the books issued to you (an audit requirement). The law requires three-part, pre-numbered receipts and specifies that the original copy is sent to the person remitting the money, the second copy is sent to the central office along with a transmittal envelope, and the third copy remains in the receipt book, which is kept on file in the Principal's office.

Receipts must be completed in full to include the date, remitter's name, type of payment (cash or check), description of remittance, and accounting codes. Each teacher must write receipts for each student from whom they collect money. The Central Office supplies a bound receipt book. The original copy (white) of the receipt is given to the student, the second copy (yellow) is sent to the School Secretary, and the third copy (pink) is retained in the receipt book for the teacher's records. The school secretary must write a receipt for teachers who collect money from students daily. For incidental collections, the teacher must have on file a list of the students from whom the teacher accepted money given to the secretary when funds are collected. Receipting rules apply to general activity funds (Fund 1151).

Deposits of money you receive should be made every day. Auditors compare deposit dates to receipt dates to determine if the principal is “borrowing” school funds. You are required to deposit receipts when you have accumulated \$50.00. Deposits of all funds on hand must be made on the last banking day of the month, regardless of the amount, as monthly receipts are directly tied to monthly bank reconciliations. Mark your school number and the receipt numbers being deposited directly on the deposit slip you take to the bank. Deposit slips are to be signed by the principal. Along with the principal's signature, the bank deposit slip should be stamped with the school's name, indicating the deposit has been made.

Monthly Reporting

The school board is required to approve a transmittal report detailing the activity of each school's activity fund transactions for each month. The law requires that you list each check by number, date, and the purpose of the expenditure. For receipts, the report requires a detailed listing showing the deposit date, receipt numbers deposited, source of funds, and revenue category. The law further requires you to submit the report to the central office within five working days after the end of each month. The central office must verify your report against our records before the school board approves it.

Instructional Supply Fees

Each year, the school board sets fees that schools charge students for labs, workbooks, and special supplies needed for particular classes. Schools must maintain a list verifying the receipt of supplies for each student for whom payment has been made. A daily receipt log will be supplied to every teacher. The teacher must complete this form each day they receive money from a student. The teacher should keep one copy of the form and submit a copy of the completed form to the bookkeeper along with the funds receipted and recorded daily.

Fundraising Procedures and Requirements (Exhibit M)

3. A. Approval of Fundraising Activities

1. All fundraising activities must receive **written approval** from the **school principal** and **the Superintendent** before initiation.
2. Before execution, any **contract with an outside vendor** for fundraising purposes must be submitted to **the school board for review** and approval.
3. All contracts/purchases must have an executed purchase order signed by the Superintendent prior to the order being placed.
4. Fundraising activities involving students must align with the district's educational mission and avoid excessive disruptions to instruction.
5. A fundraising request form must be completed and maintained on file for accountability. After the fundraiser concludes, the fundraiser results form must be completed and submitted to the Business Office.

B. Financial Accountability

1. All funds raised in the name of the **Cleveland School District or its affiliated organizations** must be **deposited the same business day in an approved district account** within **24-48 hours of receipt**. **(The district requires that all School-Sponsored Sports, Clubs, and Activities use the Leanstream Platform to collect dues, fees, and fundraising activities.)**
2. Employees and club sponsors must **maintain accurate records**, including:
 - A list of participants and amounts collected.
 - Receipts for all transactions.

- A reconciliation report detailing revenue and expenditures.
- 3. **Cash handling procedures** must be followed:
 - Two individuals must be present when handling and counting funds.
 - A receipt must be provided for all cash transactions.
 - Deposits must be documented and reviewed by an authorized financial officer.
- 4. Misuse, mismanagement, or failure to deposit funds in the appropriate account constitutes a **policy violation** and may result in disciplinary action, including, but not limited to, suspension and/or termination.

4. Violations and Consequences

Employees who fail to adhere to fundraising and financial accountability procedures may face the following consequences:

A. Unauthorized Purchases in the Name of the School District

- Employees shall not make purchases on behalf of the district without **prior approval from the school administration and/or Board of Education**.
- Violation of this policy may result in:
 - **Written warnings** for minor infractions.
 - **Restitution** for unauthorized expenses.
 - **Suspension or termination** for repeated or severe infractions.

B. Failure to Deposit Fundraiser Proceeds into a District Account

- Any employee or organization collecting money from a fundraiser **must deposit funds into a district-approved account**.
- Consequences for failing to comply include:
 - **Mandatory training** on financial procedures.
 - **Reimbursement of missing funds**, if applicable.
 - **Formal reprimand**, suspension, or legal action in cases of fraud or theft.

5. Audit and Oversight

1. The **district's finance department** will conduct **random audits** of fundraising accounts and transactions.
2. Each school must submit a **monthly fundraising report** detailing:
 - Amounts raised
 - Deposits made
 - Expenditures incurred
3. Principals must ensure that all fundraising activities comply with district, state, and federal regulations.

6. Prohibited Fundraising Activities

The following activities are **strictly prohibited**:

1. **Personal use of fundraising proceeds.**

2. Fundraising that **contradicts district policies or educational values.**
3. **Unapproved contracts** with outside vendors.
4. **Use of district funds for unauthorized purchases.**

7. Enforcement and Training

1. All district employees involved in fundraising activities must complete **annual training** on financial policies and accountability.
2. The district will take **appropriate disciplinary action** against any individual found violating this policy.

Donations

All donations require school board approval. The school board meeting minutes must indicate the donor, the amount of the donation, and the intended use of the funds, if applicable.

Donations of money exceeding \$500 must be receipted in the central office, not at the school where the donation is made. Donations of \$500 or less may be received at your school.

Donations of equipment must meet the district's guidelines for use. Do not arbitrarily accept someone's equipment donations without first verifying that you have a genuine need for the equipment and that it is in working condition. The school board requires a detailed description of the equipment, including model and serial numbers, as well as the fair market value of the equipment. You must obtain the information. Most equipment donations also must be tagged and recorded as Fixed Assets.

Cash

No school district employee is permitted to purchase items for the district with cash.

All cash received by a school must be deposited into the activity fund bank account.

Cash Box checks are not to be cashed until the day of the event unless the event occurs on a Saturday or a Holiday. When a check is cashed, the money is to be secured. If an activity is canceled, the check will be returned to the Accounts Payable department the next business day for voiding. If cash is stolen, a police report must be filed the same day. The Business Manager and the Accounts Payable Clerk must be notified immediately, and a police report must be submitted within 48 hours.

Activity Fund Bus Trips

Payroll Costs:

Time cards will be kept for activity trips and submitted to the principal upon return from the field trip. This should accompany the bus permit, which is also required to be in possession of the bus driver during the trip. Bus Drivers will be paid for hours worked beyond their regularly

scheduled time, picking up and dropping off students attending school. Bus drivers must be clocked in and out as activity bus drivers when they are driving for a field trip or extracurricular event.

Bus Permit Costs:

Bus permits should be paid promptly. The following codes should be used when paying for bus permits (xxx represents the school number).

Elementary Schools Instruction Programs	1151-900-2720-000-810-xxx-0000
Junior High Schools Instruction Programs	1151-900-2720-xxx-810-007-0000
High Schools Instructional Programs	1151-900-2720-xxx-810-009-0000
Athletic Programs	1154-900-2720-xxx-810-009-0000
Band and Other Programs	1154-900-2720-192-810-009-0000

Student Insurance

Each school should have a student insurance package. Principals are required to complete Part I of the claim form, and parents must complete Part I-B. Once both parts are filled out, the principal will send the claim form to the Business Manager for processing. Maintain a list of each insured student in your office.

The contact information for the insurance company is:

Address:
Gerber Life Insurance Company
P. O. Box 2415
Grapevine, TX 76099-2415
Phone: 1-866-975-9468
Fax: 469-417-1969
Email: benefit.assist@webtpa.com

Accounting Code Structures

We use only three different types of accounts in our system. Whether an account is classified as revenue, expenditure, or balance sheet, each has a specific purpose, which enables the tracking of all monetary activity.

The structure of every account follows a basic layout of digits and dashes as follows:

XXXX-XXXXXXX-XXX-XXX-XXX-XXXX
 (Fund) (Function) (Pgm) (Obj) (Loc) (Mod)

The structure of all accounts has one thing in common. The first 4-digit number always identifies the fund. Fund numbers are coded in ranges that identify funds by type.

Fund Type	Fund Number Range	Example
General	1000-1999	1151 Activity
Special Revenue	2000-2999	2211 Title I
Capital Projects	3000-3999	3022 Construction Project
Debt Service	4000-4999	4041 Bond Debt
Trust and Agency	7000-7999	7321 Student Clubs Fund

Except for some revenue accounts, account numbers also contain a location number (Loc).

Elementary School Numbers	Secondary/Other School
003 D.M. Smith Elementary	024 Nailor Elementary
004 Bell Elementary	028 Parks Elementary
007 Cleveland Central Middle	032 Pearman Elementary
009 Cleveland Central High	090 Career Center
020 Hayes Cooper Center	092 WRAC

Revenue Account Structure: XXXX-800XXXX-XXX-XXX-XXX-XXXX
 (Fund) (Function) (Pgm) (Obj) (Loc) (Mod)

Expenditure Account Structure: XXXX-900XXXX-XXX-XXX-XXX-XXXX
 (Fund) (Function) (Pgm) (Obj) (Loc) (Mod)

Balance Sheet Acct Structure: XXXX-7XXXXXXX-XXX-XXX-XXX-XXXX
 (Fund) (Function) (Pgm) (Obj) (Loc) (Mod)

Balance Sheet accounts reflect amounts of assets, liabilities, and fund balance information.

Revenue Function Codes

Revenue function codes describe the specific source of the revenue.

Activity Funds use:

Code	Revenue Type	Specific Source
8001711-244	HS Football Admissions	High School Football Ticket Sales
8001711-214	MS Football Admissions	Middle School Football Ticket Sales
8001711-179	HS Basketball Admissions	High School Basketball Ticket Sales
8001711-257	MS Basketball Admissions	Middle School Basketball Ticket Sales
8001711-196	HS Baseball Admissions	High School Baseball Ticket Sales
8001711-236	MS Baseball Admissions	Middle School Baseball Ticket Sales
8001711-216	Softball Admissions	Softball Ticket Sales
8001711-209	Volleyball Admission	Volleyball Ticket Sales
8001711-211	HS Soccer Admission	High School Soccer Ticket Sales
8001711-187	MS Soccer Admission	Middle School Soccer Ticket Sales
8001711	Non-Athletic Admissions	Ticket sales for other school-sponsored events (plays, concerts, field trips, etc.)
8001735	Non-Instructional Fees	Fees for extracurricular activities
8001760	Cell Phone Fines	Students with cell phones on campus
8001793	Sales of Annuals/Yearbooks	Sales of annuals
8001794	Sales of School Pictures	Sales of school pictures
8001796	Rental of Caps and Gowns	Cap and gown rentals
8001797	Fund-Raising Sales to the Public	Revenue generated from time-limited sales outside of the school
8001798	Fund-Raising Sales In-School	Revenue from sales on school premises (candy, popcorn, etc., sold to students and faculty)
8001798-522	Fund-Raising Sales Book Fair	Revenue from sales for the book fair
8001799	Other Fund-Raising Revenue	Fund-raising revenue does not fit other categories
8001910	Rentals	Building rental
8001920 from	Donations & Contributions	The School Board approved donations individuals, organizations, etc.

8001940	Instructional Fees	Lab, workbook, paper fees, etc.
8001992	Transcripts	Transcript Requests
8001993	Rebates	Revenues for Vending Machines
9001910-810	STATE PASS Reimbursement	Employee Payment for State Passes
1120-8001310	Summer School Fees	
1120-8001792	Textbook Fines	
1120-8001910	Reimbursement for State Passes	
1120-8001999	Library Book Fines	

Expenditure Function Codes

Expenditure function codes identify a department or area within the school. A first-grade classroom purchase would carry a 900-1120 code, while a kindergarten supply would be a 900-1110 code. Library books would be coded 900-2220, but books for the principal would be coded 900-2410.

The expenditure function codes available for your use are:

Code	Description
9001105	Pre-kindergarten Programs
9001110	Kindergarten Program
9001120	Elementary Programs – Grades 1 through 6
9001130	Middle or Junior High Programs
9001140	High School Programs
9001210	Gifted Programs
9001220	Special Education Programs

9001230	Alternative School Programs
9001290	Other Special Programs
9001310	Adult Basic Education Programs
9001910	Athletic Activities
9001920	Activities other than Athletics (Band)
9002120	Guidance Services
9002210	Staff Development Services
9002220	Library Services
9002410	Principal's Office
9002620	Building and Maintenance
9002740	Transportation

Expenditure Object Codes

The expenditure object codes define the type of purchase you make.

You may use:

Code	Description
320	Educational Services purchased from a professional in the field of improving educational programs (staff development speakers, curriculum consultants, etc.)
324	Web Licenses
330	Services purchased from professionals in fields not directly related to education (doctors, lawyers, accountants, etc.)
340	Services purchased from technicians and specialists (computer consultants, data processing services, etc.)
343	Other services for events (for athletics and band)
344	Services of officials or judges for events (for athletics and band)
348	Services of security officers for events (for athletics and band)

344	Other services for events (for athletics and band)
414	Telephone Services (Phone bills, cell phone charges, etc.)
420	Cleaning Services purchased for buildings or grounds
430	Repair Services purchased to maintain and repair buildings and/or equipment (provided by non-district personnel)
432	Maintenance Contracts – Equipment
440	Rentals of buildings or equipment
520	Insurance
531	Postal Services (postage)
540	Advertising
580	Staff Travel and Per Diem (meals, rooms, mileage, parking fees, etc.)
581	Student Travel and Per Diem (for athletics, band, or field trips)
610	General Supplies (tangible products other than equipment)
611	Software
630	Petroleum, Oils & Lubricants (gasoline, diesel fuel, oil, grease, etc.)
651	Textbooks
652	Other Books and Periodicals
655	Library Books
731	Computer Equipment Costing Less Than \$5,000
733	Computer Equipment Costing \$5,000 or More
735	Other Furniture and Equipment Costing Less Than \$5,000
737	Other Furniture and Equipment Costing \$5,000 or More
740	Non-Capitalized Furniture or Equipment (not required to be tagged)

Balance Sheet Accounts

Petty Cash or Cash Box	1151-1250000-000-000-xxx-0000 (xxx is school #)
Fund Balance	1151-xxx0000-000-000-xxx-0000 (xxx is school #)

EEF Procurement Cards

Each school year, eligible employees are allotted an amount for supplies to be bought with an Educational Enhancement Fund (EEF) procurement card. Teacher assistants do not receive an EEF allotment, nor do principals.

During the 2012 Legislative session, the state revised the distribution of Educational Enhancement Funds (EEF) to eligible classroom teachers. Eligible teachers will receive a procurement card, providing access to their EEF allocation. The procedures for handling these funds are attached in the Exhibit portion of this document. This card can be used **ONLY** to purchase instructional supplies, materials, software, and equipment. These cards will be distributed to each eligible teacher in the fall of each school year. They will have until March 30 to spend these funds. Each teacher is **REQUIRED** to keep receipts for any purchase for five (5) years. The State of Mississippi will conduct individual audits of them. The school district is not responsible for retaining a teacher's receipts.

Instructional/Library Supplies & Equipment

Accreditation standards require that District Maintenance allocate a specific amount of money each year for classroom and/or library supplies. In our district, each school is allocated \$7.00 per student for library supplies and/or equipment and \$13.00 for instructional supplies and/or equipment.