SPONSOR MANUAL
FOR
STUDENT & DISTRICT ACTIVITY FUNDS

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Boerne ISD School Board Policy

Fiduciary Responsibility

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

Student Activity Funds

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

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

Use and Expenditure

Funds collected by student groups shall be used only for purposes authorized by the student club or organization. Prior to any disbursement, an official student activity purchase order shall be submitted to the principal or designee for approval.

All funds raised by student organizations must be expended for the benefit of the students.

District and Campus Activity Funds

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

Approval

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

Carryover Funds

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

Section 1: General Information

Definition and Purpose of Activity Funds

Activity funds are defined as funds consisting of resources received and held by the school as trustee to be expended or invested in accordance with conditions of the trust. Activity Funds are used to promote the general welfare of each school and the educational development and morale of all students.

There are two main categories of activity funds

a) **A student group** is one recognized by the school and is organized by electing officers, holding meetings, and conducting business with minutes taken. Student activity funds are funds generated by specific student groups, not by the district or campus. Decisions about the expenditures of student activity funds are made by the students but cannot conflict with Board policy and/or legal regulations or restrictions. The District is required to provide stewardship by properly safeguarding and accounting for student group funds. **The Charter, Bylaws, and minutes for each student group must be kept on file with the campus secretary/bookkeeper.**

   The Sponsors of the Student Activity accounts are required to maintain adequate records to support the financial activities of the group. These records should be maintained year to year and are subject to review during the year-end audit.

b) **Campus** activity funds are funds raised locally at the school or donated to the school and include school office and departmental accounts. Campus activity funds are considered by TEA to be District General Funds. The expenditure of these funds must comply with state and board policy and with district regulations.

The administrative policy for the Fund shall be income received for a specific organization and purpose shall be <u>disbursed only</u> for that organization and purpose.

However, if unusual circumstances occur, the school Principal may <u>reallocate funds</u> to the administrative activity fund with completion and approval of the "Internal Transfer Fund" form.

Upon the dissolution of any organization, the Principal shall ensure all liabilities of the organization are liquidated and the remaining assets transferred to the administrative activity fund.

Student Group Funds

1. Student Group Funds are monies collected by students for clubs or organizations through various District or school-approved fundraising activities. Student funds may also be received as donations. These funds are controlled by student organizations. The money is to be spent for the benefit of the students or the purposes for which the funds were collected or donated.

2. A class or club account is a trust account to be used for the intended purpose at the time the account was created. The principal must ensure that transfers or expenditures from these accounts are within the intended purpose and cannot divert funds for other uses.

Campus Activity Funds

School funds are collected or contributed to the activity fund for the benefit of students and for limited staff expenses. These funds are controlled by the principal and/or account sponsor and may include, but are not limited to:

- Collection of students fees;
- Commission/Vending proceeds;
- Student pictures;
- Major instructional departments, including the library, music, and the nurse;
- Donations from various sources;
- Fundraisers for the entire school, school stores, t-shirts sales, etc.;
- Fees for lost Ids, parking, etc.;
- Principal's discretionary funds

Position Responsibilities for Activity Funds

Position	Responsibilities
Principal	Proper administration and accounting for fund transactions
	Provide safekeeping of money
	Supervision and approval of all fundraising activities
	Review and approve all required documents
	Supervision of all personnel designated by the principal to administer the activity funds
	Expenditure of funds in compliance with applicable state laws, local board policy, and administrative guidelines
Secretary/Bookkeeper	Assists sponsors of the organizations to:
	Ensure all required forms are correctly completed and approved
	Create and submit Purchase Orders
	Review form AF-3 and reconcile with money submitted
	Deposit money or put money in the vault for the next day deposit
	Inform the Principal of problems and concerns
Teacher/Sponsor	Attend annual training
Audit requirement	**Monitor the financial position of the activity fund**
	Submit Requisition for Purchase Order
	Submit Collection of Money (form AF-3) to the secretary/bookkeeper on a daily basis. **Money is not to be kept by this position overnight**.
	Develop and supervise fundraising plans and the collection of money
	Submit Application for Fundraiser (form AF-4) for Principal's approval
	Submit Fundraiser Profit/Loss (form AF-5) to Bookkeeper within 30 days after fundraiser has concluded
	Responsible for the funds and any related discrepancies
	If a student group, allow student participation in the organization's financial activities. This includes documentation of meeting minutes and student approval of expenditures.
	Follow UIL guidelines, if applicable to your student group

Form Descriptions

Form	Description of Use
AF-3 Collection of Money by Teachers/Sponsors	Must be completed in Ink with student signatures (except for grades K-5). Must accompany money turned in for deposit and signed by the Secretary/Bookkeeper.
AF-4 Fundraising Application	Must be submitted to Principal for approval before event can take place. (Eduphoria)
AF-5 Fundraising Profit/Loss Statement – 2 pages	Must be submitted to Principal upon completion of event. Additional information may be required. (Eduphoria)
AF-6 Authorization to Collect Money from Students & Employees. (Not a Fundraiser)	Principal needs to approve (prior to event) what money is being collected on their campus. Examples are Club dues, donations from anyone. Any flyer pertaining to this collection must be attached. The Principal needs to know what the funds are to be used for. (Eduphoria)
Forms Below are Available from Campus Bookkeeper as Needed	
W-9 for Contracted Services	Bookkeeper will have Vendor turn in this form
Texas Hotel Occupancy Tax Exempt. Cert	To be presented to hotels
Texas Sales & Use Tax Permit	Allows for collection of sales tax
Texas Sales & Use Tax Exemption Cert.	Proof to vendors of sales tax exemption

Review of Activity Fund Records

The activity fund financial records and procedures of all schools will be subject to review at any time throughout the year with little or no advance notice to the campus. These reviews may be performed by BISD finance staff, internal auditors, or by the District's "outside" independent auditors.

1. Internal Audit: Internal audit is an independent appraisal function established to examine and evaluate the activity fund as a service to the Board of Trustees and the Superintendent. Audit procedures for activity funds are designed to verify the accuracy of all financial records.

a) Internal Audit Purpose and Scope: The purpose of an audit is to:

- To evaluate the accounting, records and handling of activity funds ensuring that the operations performed are in compliance with Boerne ISD policies and procedures, as well as State and Federal regulations.
- To substantiate the cash and other activity account balances as of the audit date.
- To determine the propriety of financial transactions within the accounts.
- To identify and report possible significant internal control weaknesses noted during the audit.
- To identify and report possible instances of abuse, waste, and fraud, and to assist law enforcement officials in prosecuting fraud and other abuses.
- To recommend measures to eliminate or mitigate weaknesses, potential fraud or abuses identified in the audit.
- To report the audit results internally.

b) Internal Audits: Activity fund records are subject to audit at any time by the internal audit personnel. Internal audit staff will determine the frequency of an audit (i.e., annually, bi-annually, etc.). All schools, accounts, and sponsors can be randomly selected for audit throughout the year. Management changes and administrator requests will be given priority in the selection process. Audits are the final control to assure principals that procedures used in the handling of funds entrusted to them are entirely adequate for the protection of themselves and their personnel.

Unless an audit is to be conducted on an "urgent" basis (as in the case of suspected fraud or other abuse), the internal auditor staff will provide advance notice of their intent to audit to the principal, the bookkeeper, and the activity account sponsor of the campus under review. It is the principal's responsibility to make available financial records, documentation and access to key individuals that are related to the audit being conducted.

At the conclusion of each internal audit engagement, a written summation will be prepared and issued by the internal audit staff and will be distributed to the Superintendent and Board President as needed.

2. Special Audits: A special audit may be necessary at times; examples include, but are not limited to:

a) Change of principal.

b) Change of bookkeeper; as soon as the principal becomes aware of the pending change, a written request

for an audit should be requested.

c) Special request by the following:

- Board of Trustees
- Superintendent
- Chief Human Resource Officer
- Chief Financial Officer
- Principal
- Director of Business Services
- Assistant Director of Business Services

d) With the exception of a request from the Superintendent or Board of Trustees, the scheduling of these special request audits will be at the discretion of internal audit staff.

3. Reports Required for an Audit: Internal audit staff will generate all the reports necessary for the audit.

4. Semi-annual Review of Activity Funds: All schools are required to provide financial reports, which include to-date revenue and expense information, to each sponsor on at least a semi-annual basis. Each report should be signed by the sponsor, the bookkeeper, and the principal as a testament that the contents of the reports have been reviewed and understood. Copies of all signed financial reports should be retained at each school and will be subject to audit.

5. Year-End Documents: The bookkeeper shall maintain the following activity fund accounting records, either in hard copies or electronically, as stipulated:

- Receipts with support in chronological order by month.
- Disbursement copies with support in chronological order by month.
- Transfer and adjustments with support in chronological order by month.

All financial records are to be kept current and in good order for review at any time. Activity fund records are to be retained for a period of five years in addition to the current year.

Section 2: Cash Management

Cash Receipts

Cash is a high-risk audit area for fraud. Therefore, strict internal controls and procedures are required to minimize the potential risk for fraudulent acts. As a sponsor, you are held accountable for the safekeeping of all monies until a receipt has been issued by the campus secretary/bookkeeper. At that time, the responsibility falls upon the secretary/bookkeeper until the money has been deposited into the depository bank. There must be prior approval from the Principal ***before*** collecting money.

1. The Principal's approval must be on an AF-4 or AF-6 form (Eduphoria).
2. Collection of money will be accompanied by a completed AF-3 form to the secretary/bookkeeper by the sponsor. Students giving cash must sign the form (excluding elementary campuses). Copies of checks can be attached in lieu of writing the student information on the form.
3. ***The Teacher will place the completed money collection sheet with checks and cash into the plastic tamper proof bank bag and staple all documentation to bag.***
   (1) WRITE THE NUMBER PRINTED ON THE BAG (A#) IN THE BOX ON THE MONEY COLLECTION FORM. MAKE SURE YOU ARE USING THE CURRENT FORM.
   (2) FILL OUT THE TAB ON TOP (THIS IS YOUR RECORD TO KEEP)
   (3) REMOVE THE TAB TO SEAL THE BAG.
   (4) STAPLE ALL DOCUMENTATION TO THE BAG.
   (5) BAG GOES INTO THE DROP SAFE (IF DROP SAFE IS NOT AVAILABLE, GIVE TO THE SECRETARY/BOOKKEEPER).
4. Secretary/Bookkeeper will complete deposit slip with the information provided on the bag.
5. ***The Club name and bank bag # will be written on the deposit slip. Secretary/Bookkeepers will not open bags and recount cash and checks.***
6. Secretary/Bookkeeper will make bank deposits daily or lock the money in the campus vault until the next day.
7. Deposit slip copy will be attached to the AF-3 form and kept on file for audit purposes. A copy will be provided for the sponsor's files.
   - All money collected must be in original currency received. The sponsor cannot submit a personal check for the cash collected.
   - The AF-3 form must be completed in ink.
   - At no time is money to be kept overnight. If an activity is occurring in the evening or on a weekend, the principal must provide a way to safeguard the money.
   - The Principal will be notified of any discrepancies or concerns arising from this process.

Donations

Donations are made by outside entities or individuals for the benefit of students or faculty. Donations are made without any return consideration going back to the donor, and may be in the form of goods, services, or money.

Cash and/or non-cash donations from private sources: the following procedures shall be followed when a donation is received:

1. When possible, the donor is encouraged to complete the Contribution Acknowledgement form and submit to the campus and/or department indicating the following:
    a. Donor's Name
    b. Address
    c. Phone Number
    d. Email Address
    e. Type
    f. Description
    g. Estimated Value
2. The campus and/or department shall complete the remainder of the Contribution Acknowledgement form with the following information:
    a. Name and Title of District Employee Receiving the Contribution
    b. Campus Name (if applicable)
    c. Department Name (if applicable)
    d. Date Received
4. If needed, issue a receipt to the donor, not the individual submitting the funds for deposit
5. The principal shall thank the donor for the gift to the school and provide them with a copy of the signed Contribution Acknowledgement form.
6. Cash or check donations shall be deposited to the correct account as follows:
    a. Donations not intended for a specific account but are to support a specific campus or department should be placed in a separate account established for documenting the use of these funds.
    b. Donations of any amount for the general use of the District are to be sent to the Business Office for deposit to the general fund.
7. Non-cash donations should be reported using the Non-Monetary Donation Report. For submission of this report, along with any related questions, please contact the business office.

Collection of Fines & Fees

Fines & Copying fees

Fines are usually collected for the library and lost textbooks. Students are charged for making copies in the library. Fines and copying fees collected must be deposited into the activity account on a weekly basis. The amount needed to make change for students must be kept in a money box that is locked and put in the school vault overnight. The amount of change kept in the box should not be more than $20. At no time can this cash be used in any way except to make change. To make a purchase of any kind you must have a Purchase Order in place. A Money Collection sheet (AF-3 form) must be used to record collection of fines or copying fees. This form is turned in with the money for deposit.

Student Fees for Academic & Elective courses

All student fees are to be collected and deposited in the campus activity fund. Fees **cannot** be deposited into a Parent Booster Club.

All student fees **must be** approved by the Campus Administrator and/or Chief Instructional Officer. Fees cannot be assigned without proper approvals.
Board Policy FP (Legal) on Student Fees, Fines, and Charges must be followed.

Waiver of Fees FP (Legal)

The District shall adopt reasonable procedures for waiving a deposit or fee if a student or the student's parent or guardian is unable to pay the fee. This policy shall be posted in a central location in each school facility, in the school policy manual, and in the student handbook.

If a fee is waived, the student cannot be required to "work-off the waived fee." For example, the Sponsor shall not require the student to fundraise or ask for donations to cover the cost of the waived fee.

Transportation of Students

The District contracts all student transportation. Outside organizations may donate money to the District to cover transportation costs.

Vending

General Procedures

1. The school principal shall control the revenue from vendor-maintained vending machines located in all areas of the school.
2. Commissions earned shall be deposited to the appropriate activity vending account. Commissions from vending machines are paid directly to the District by check or ACH/EFT.
3. The principal is responsible for providing the maximum available security for the inventory in the machines.

Returned Checks

Checks returned for non-sufficient funds (NSF) will be treated in the following manner.

- The business office receives information from the bank of a returned check for NSF. Information is then forwarded to the campus bookkeeper.
- The campus bookkeeper works with the sponsor (if needed) to immediately notify the check maker of the returned check and requests immediate cash payment in the amount of the check.
- Use certified mail as a last resort for contacting the check maker. If certified mail is used, the accompanying letter should include (1) the returned check number, (2) the date on the returned check, and (3) the amount of the returned check. Additionally, state in the letter that the bank returned the check and unless payment is received by cash within ten business days from the date of the letter, the returned check will be turned over to local law enforcement for collection and prosecution.
- For parties that have had prior check(s) returned, the campus reserves the right to not accept future checks from those parties.
- Once payment is received on a returned check, the cash receipt should be posted against an object code 1290 account. Please contact the Business Office for questions.

Write-Off Policy

If collection is unsuccessful after 90 days:

- The balance may be deemed uncollectible
- A request must be submitted to the Business Services Department for approval to write off the debt using the form ***Write-Off Request Form for NSF Checks***
- Documentation of all collection efforts must be retained

Section 3: Purchasing

School District or Group of the School District

All Purchases made in the name of the school district, or a group of the school district are TAX EXEMPT.

Individual Members, Teachers/Coaches

No sales tax exemption is allowed for purchases made by individual members or teachers/coaches even though they are affiliated with a school or a school organization.

Examples: cheerleader purchasing their own uniforms, band members purchasing their own instrument, or science students purchasing a science board and athletic teams purchasing their own jackets.

Certificates for Tax Exemption

In order to recognize the sales tax exemption, various certificates should be presented:

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

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

♦ Hotel Certificates – (Receive from Secretary/Bookkeeper)
Educational organizations and their employees traveling on official business, or the organization are exempt from the Texas state hotel tax. However, the organization and their employees must pay local tax. The Texas Hotel Occupancy Tax Exemption Certificate must be presented at the time of registration at the hotel. (Contact District's Business Office for a copy)

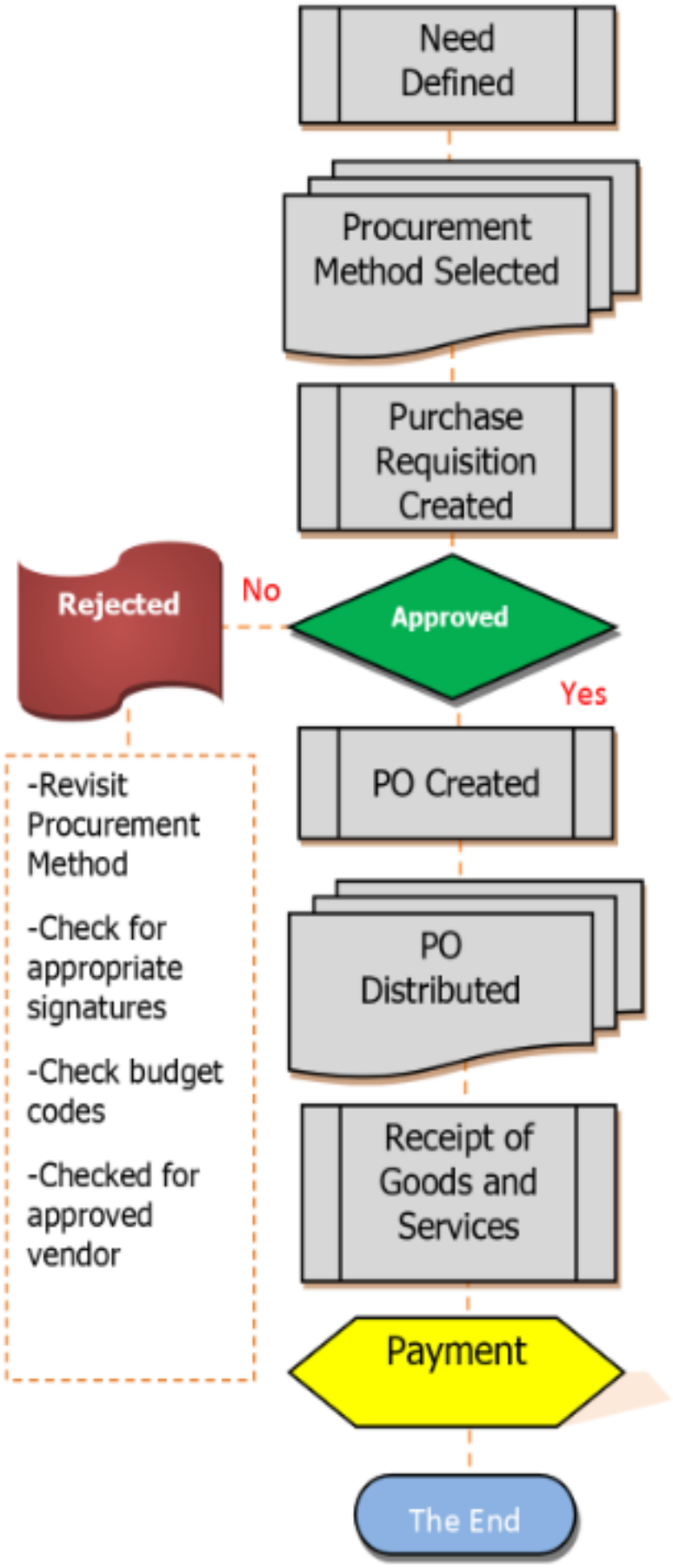
Competitive Bidding Requirements

Campus Activity Fund Purchases:

♦ $5,000 - $9,999: Three (3) price quotes must be included when submitting requests for purchase orders to the Business Office to ensure compliance with District purchasing policies, procedures, and State laws.

♦ $10,000 – greater must comply with the provisions of the Texas Education Code, §44.031, and contact the District's Purchasing Department at ext.2026 for the proper procurement procedures.

Activity Fund Purchases



Availability of Funds

1. Income received from a specific group (student and faculty) is to be expended for that group.

2. The Sponsor shall ensure expenditures from these accounts are for the intended purpose of the group and should not be diverted for other uses.

3. No expenditure of funds shall be approved unless sufficient funds are available in the appropriate fund account.

4. If a campus desires to transfer funds between groups, the principal must provide approval via a submitted budget amendment in the District accounting software.

5. **Gift Cards cannot be purchased with District money. This includes campus activity funds**.

6. **Student Groups** (Bylaws, Charter, and minutes on file) may purchase gift cards if students vote to do so for awards only, not to be used for expenses.

Requisition for P.O. (Check) or Procurement Card

1. A requisition must be submitted to receive a purchase order or to use a credit card.

2. There must be sufficient funds in the Activity account to complete the requisition form. The Sponsor will have access to both their budget and activity fund balances via system generated financial reports. Without sufficient funds a purchase order cannot be completed.

3. All supporting documentation must be attached to requisition before the Principal can approve it.

Proper supporting documentation includes:

a) A written estimate (quote) as requested by the Bookkeeper.

b) For small dollar amount purchases write in the estimate from information you have received from the Vendor.

c) If a receipt is $100 or over the estimate on the P.O. it will require the Principal to re-approve the purchase order.

4. You must sign out a credit card by completing the Log In/Out Sheet.

5. Payments by check requested by the Business Office must accompany a current, valid purchase order. Check requests must include invoicing detail (as present) and receiving documentation that a check is needed. To ensure that check requests can be included within each Thursday check run, check requests must be received in the business office by the close of business the Friday prior to check printing.

Contracted Services

Contracted Service occurs when we pay a person or company for services rendered. Examples are storyteller, catering services*, rental services for costumes, cleaning of uniforms, repair & maintenance, repair service for instruments, judges etc. **Verify employment or contractor status through Human Resources. All employees performing services are paid through payroll. No exceptions.** The IRS 20-point checklist for independent contractors provided is a good reference as to how HR makes the determination.

The IRS requires 1099 forms to be sent out at the end of the year. **The procedures to receive a purchase order requires multiple steps. It is important to note all requests need to be submitted at least two or more weeks before the event.**

An agreement or contract must be approved by the Business Office and Principal and signed prior to the event. There are several procedures to be aware of:

1. **The Business Office must approve all Contracts before the Principal can sign. A Sponsor cannot sign a Contract.**

2. BISD Policy is for checks to be mailed to the Vendor after the service is performed. Checks will not be held for pick up.

3. See the School's Secretary/Bookkeeper for the proper forms.

4. **Make sure to have the paperwork turned in at least two or more weeks before the Event.** The Secretary/Bookkeeper must do additional paperwork to have the P.O. issued.

5. The P.O. represents a legal liability from the school district. Most vendors accept BISD Policies of mailing the check after the event.

6. Do not use a vendor who is not approved or will not accept BISD's Purchasing Policy.

*Buying and picking up the food from a catering company is not a contracted service. It would be a contracted service if at least two of the following occurred; delivery, set up, serving, cleanup.

Purchasing Gifts

Small gifts: Plaques, flowers, frozen turkeys, and other small gifts are allowable expenditures if the school board determines that these items serve a legitimate educational purpose. such as increasing employee morale or productivity. Tex. Attorney Gen. LO-96-136 (1996).

Teacher's Personal Reimbursements

♦ Must have a Purchase Order in the employee's name who will be making the purchase.
The Vendors must be approved and listed on the purchase order. You must use only approved vendors to be reimbursed.

♦Sponsors who are employees need to follow the purchasing policy as described on the following pages. A personal reimbursement should be a rare occurrence

♦ Parent /Sponsors who are not employees. It is rare, but on occasion a parent is approved to receive a reimbursement. For example, Destination Imagination activity.

- ♦ There must be a purchase order in the parent's name doing the purchasing.
- ♦ The purchase order will be an estimated amount or a written estimate, as determined by the individual school.
- ♦ Sales tax cannot be reimbursed and this must be disclosed to the parent.
- ♦ Personal Reimbursements: Sales tax will not be reimbursed. Tax exemption forms can be obtained from the campus bookkeeper. To be eligible for personal reimbursement, staff must have a pre-approved purchase order prior to procurement. Without a purchase order, staff may not be reimbursed for expenses.

Year-End Purchase Orders for Summer Activities

All Sponsors **must** plan ahead for the summer months and request Purchase Orders for the persons who will be making the purchases. This must be done prior to the close of school.

Employee Conflict of Interest

There are three policy statements from DBD (Local) and BBFB (Legal) that must be followed.

1. An employee shall not use his or her position with the District to attempt to sell goods or services.

2. An employee shall not recommend, endorse, or require students to purchase any product, material, or service in which the employee has a financial interest or is sold by a company that employs or retains the District employee during non-school hours.

3**. The nepotism law governs the hiring of an individual, whether the individual is hired as an employee or an independent contractor.** ***Atty. Gen. Op. DM-76 (1992)***

Contact the Purchasing Coordinator for conflict-of-interest questions regarding purchasing.

Contact the Director of Human Resources and the Assistant Superintendent of Finance with questions regarding employment of relatives.

Section 4: Fundraisers

Fundraising activities are considered an extension of the school program. When fundraisers are in the name of the school, all funds raised become school funds, coded to the school sponsored group raising the funds.

Want to Hold a Fundraiser?

- Submit Application (Form: AF-4)
- Principal Reviews & Approves Application
- Hold Fundraiser
- Use Form AF-3 for Collection of Money
- Complete Profit/Loss Form AF-5

Guidelines:

- **No Crowd Funding**. Teachers/sponsors are **prohibited** from working with a company that will set up **online collection** managed and/or administered by a third party. This includes Go Fund Me, Snap Raise, Fan Angel, Etc.
- All fundraisers must have prior approval from the Principal on form AF-4
- The advertising of the fundraiser must identify how proceeds, if any, will be expended. Advertising which states a specific reason for holding the fundraiser means that funds must be dedicated to the identified purpose. The flyer does not have to state a specific reason if the fundraiser is for the activity fund's general use during the year.
- Student participation in approved fundraising activities shall not interfere with the regular instructional program.
- Fundraisers for National Competitions:
    - A student may fundraise at the school for themselves with the Principal's approval. However, the money cannot to be deposited into the activity account. The student is responsible for retaining the funds.
    - Teachers should not be fundraising from the students. With Principal's approval, the teacher can fundraise from the staff. These funds are not deposited in the activity fund. The teacher is responsible for retaining the funds.
- IRS Regulations - Students cannot be required to participate in a fundraiser. Therefore, regardless of a student's participation or the amount of money raised by others, that student must receive equal benefits.

Section 5: Fixed Assets

1. General Procedures: to meet State Accounting Guidelines and have adequate documentation for insurance purposes, it is necessary for each campus to accurately account for all fixed assets purchased with activity fund monies.

2. Definition of Fixed Assets

a. Fixed Assets are items purchased that are:

i. Tangible in nature

ii. Have a useful life of two (2) or more years

iii. Purchased at a cost of $5,000 or more

iv. May be reasonably identified and controlled through a physical inventory system

b. Fixed assets include but are not limited to:

i. Machinery

ii. Furniture

iii. Playground equipment

iv. Other equipment intended to be held or used over a long period of time

v. Software license that are useful for more than one year

3. Recording Fixed Assets

a. Equipment procured by a school through the expenditure of activity funds or purchased for the school by related private organizations such as parent groups or received as a donation must be separately identified in the District's asset management system.

b. To properly record the purchase of fixed assets from activity funds, it is necessary to promptly advise the Business Office of acquisitions by the school.

c. Refer to Board Policy CDC (Regulation) to report gifts of fixed assets from private sources.

4. Disposal of Fixed Assets

a. Assets purchased with District funds (activity funds, donations, etc.) may NOT be sold or “gifted” by the school for any reason, used for the personal use of any employee, or disposed of in any other manner.

b. Contact the Maintenance department to arrange the movement or disposal of the fixed assets that are no longer of sufficient use to the campus.

Section 6: Sales Tax

1. Sales tax is due when students pay for items the activity fund is purchasing and the items become their personal property or otherwise consumed for personal use. This is not a fundraiser activity as BISD is reselling merchandise. Sales tax is owed by the individual making the purchase. Sponsors should use the template below to make sure they are pricing the merchandise appropriately to break even.
    - Examples of taxable items: P.E. workout clothes, T-shirts, Band shoes, uniforms the student keeps, rental income from uniforms and instruments, and student stores selling supplies.
2. Fundraisers will have sales tax payable on activities that run longer than a 24-hour period. Sales tax is due as calculated on the total sales revenue.
    - Examples: Student Store provides sales of non-food items, Library book sales, Art to Remember, T-Shirt sales, etc.
3. Each Student Activity Fund, i.e., Student Council, is entitled to two tax free days per year.
4. Each School is allowed two tax free days. The Principal will determine which activity will be allowed to use the school's tax fee days.

Merchandise Price Evaluation

Item Cost (BISD)	$8.23
Resale Price (Student, etc.)	$9.00

Revenue per Item	$8.31
Profit/(Loss)	**$0.08**

Revenue = Resale Price/1.0825

Profit/Loss = Revenue per Item - Item Cost

*Contact your campus secretary or bookkeeper to get the excel template

Section 7: Booster Clubs

Introduction

Community support organizations for extracurricular activities—or external Booster Clubs—are a valuable complement to the school's athletic, music, and academic programs, as well as student class organizations (Student Activity accounts). Both external and internal activities often provide additional financial resources and enrichment for the programs they support. Every Booster organization at Boerne Independent School District (BISD) must be familiar with and conduct all its activities in compliance with requirements and limitations set out by the University Interscholastic League (UIL), Federal laws (IRS), State Laws and BISD Board Policy/Regulations in its Booster Club Guidelines.

Purpose of Booster Clubs

Booster Clubs exist to assist and support the sponsor with extra and co-curricular activities. A Booster Club is responsible for supporting a student group, activity, or program. The Booster Club works through the Sponsor to provide assistance for the planned activities of the student group; however, the Booster Club does not have the authority to decide the activities or trips in which the student group will participate. A Booster Club may provide suggestions regarding activities to the sponsor. However, the Sponsor will document any requests in writing to the Principal for final approval.

Student fees cannot be collected and deposited by a Booster Club. This includes rental fees for instruments and uniforms. Payments for UIL activities must be made by the District.

The Boerne Independent School District is governed by the following adopted policies regarding Booster Club operations.

RELATIONS WITH PARENT ORGANIZATIONS
GE

(LOCAL)

District-affiliated school-support organizations and booster organizations, and other parent groups, shall organize, fundraise, or solicit donations, and function in a way that is consistent with the District's philosophy and objectives, Board policies, District administrative regulations, applicable UIL or other governing association guidelines, and financial and audit regulations. [See also CDC and CFC]

Before engaging in fundraising or soliciting gifts, an organization or group shall notify the principal or other appropriate administrator identified in administrative regulations. [See CDC(LOCAL) for District acceptance of gifts and solicitations]

USE OF DISTRICT FACILITIES

District-affiliated school-support or booster organizations may use District facilities with prior approval of the appropriate administrator. Other parent groups may use District facilities in accordance with policy GKD.

INTERNAL / EXTERNAL ORGANIZATIONS

The District recognizes both internal and external parent-teacher/booster organizations. Internal organization groups raise funds and volunteer to support the students, teachers, and usually a specific campus. Funds raised by internal organizations are deposited into the principal activity accounts and are accounted for by the District. Internal organizations are considered a part of the District and may use the District's tax-free purchasing power.

An external organization deposits its funds into a bank account that is controlled by the external organization's board and is responsible for any and all necessary local, state, and federal requirements. External organizations are not considered a part of the District and shall not use the District's tax-free purchasing power.

EXTERNAL PARENT-TEACHER/BOOSTER ORGANIZATIONS

Each external parent-teacher/booster organization shall have a written constitution and/or bylaws governing its operations. Additionally, each external parent-teacher/booster organization shall obtain formal nonprofit status in accordance with IRS code 501(c)(3), obtain and maintain its own federal identification number, and obtain a state of Texas sales tax number. A copy of the above shall be filed with the District's business office.

Each parent-teacher/booster organization shall keep financial records of its receipts and disbursements and shall report said finances no less than quarterly to the organization's membership. Each organization shall submit to the District's business office and the campus principal the organization's financial activity overview, no later than the 30th day after the organization's fiscal year ends, on a form provided by the District's business office.

Section 8: Forms

- AF-3 Collection of Funds by Teacher/Sponsors
- AF-4 Fundraiser Application & Authorization
- AF-5 Fundraiser Profit/Loss Statement
- AF-6 Authorization to Collect Funds from Students and Employees
- IRS 20-point checklist for independent contractors
- Contribution Acknowledgement
- Non-Monetary Donation Report
- Boerne ISD Student Activity Authorization

Other documents that are not attached are listed below.
See the Secretary/Bookkeeper at your campus for these items.

- Texas Sales Tax Exemption
- Texas Hotel Occupancy Tax Exemption
- Texas Sales & Use Exemption Certificate
- Sales Tax Calculation Template

FORM AF-3: Collection of Funds by Teachers/Sponsors

School Name: _____ Organization: _____

Activity Involving Collection of Money: _____

See Page 2 for instructions on how to fill out this form. Copies of checks may be attached to this form and not listed on this form. Enter total of all checks below. Students do not have to sign if checks are used. Elementary Students do not need to sign. Cash collected must be itemized on this sheet.

STUDENT NAME	DATE	HOW PAID CASH	CHECK	AMOUNT COLLECTED	PARENT OR STUDENT SIGNATURE (ELEMENTARY SCHOOL STUDENTS DO NOT SIGN)
1.		☐	☐ CK#		
2.		☐	☐ CK#		
3.		☐	☐ CK#		
4.		☐	☐ CK#		
5.		☐	☐ CK#		
6.		☐	☐ CK#		
7.		☐	☐ CK#		
8.		☐	☐ CK#		
9.		☐	☐ CK#		
10.		☐	☐ CK#		
11.		☐	☐ CK#		
12.		☐	☐ CK#		
13.		☐	☐ CK#		
14.		☐	☐ CK#		
15.		☐	☐ CK#		
16.		☐	☐ CK#		
17.		☐	☐ CK#		
18.		☐	☐ CK#		
19.		☐	☐ CK#		
20.		☐	☐ CK#		
21.		☐	☐ CK#		
22.		☐	☐ CK#		

Total Cash: $_____

Total Coin: $_____ **Grand Total Amount Collected $ _____**

Total Checks: $_____

_____ _____ **Bank Bag #** { }

Teacher/Sponsor Signature Date

Date Rec'd by Office _____

_____ _____

Secretary/Bookkeeper Signature Date of Deposit

FORM AF-3: INSTRUCTIONS

Note: The form must be filled out with INK. Draw a line through any errors and use the next line, if needed

1. Form AF-3, may be used instead of official individual cash receipts for small, multiple collections for example: Yearbook, Library fines, Class pictures, Bus trips, Fundraisers etc.

2. The following information must be filled in:

   a) Student name
   b) Date the money was received
   c) The form the money was received in (cash or check)
   d) The amount
   e) Signature of the Student or Parent from whom the Cash was received.

   Note: Student signatures are not required for grades five and under. If the Parent is delivering the money (Cash), please have them sign the form.

3. Teacher/Coach will need to obtain stamp to stamp back of checks from bookkeeper/secretary.

NEW: The Coach/Teacher will put checks/cash collected in plastic tamper proof bank bag and staple money collection sheet on outside of plastic tamper proof bank bag.

- ***WRITE THE NUMBER PRINTED ON THE BAG (A#) ON THE MONEY COLLECTION FORM***
- ***FILL OUT THE TAB ON TOP OF BAG (RECONCILE WITH CLUB REPORT)***
- ***ENDORSE ALL CHECKS WITH ACCOUNT STAMP THEN SEAL THE BAG.***
- ***STAPLE ALL DOCUMENTATION TO THE BAG.***
- ***BAG GOES INTO THE DROP SAFE. IF DROP SAFE IS NOT AVAILABLE, GIVE TO THE SECRETARY/BOOKKEEPER.***

4. **Daily** money collected must be turned in to the Secretary/Bookkeeper with this form.

5. All money collected must be submitted in the same form received. Teacher/Sponsor's personal checks **may not** be substituted for the money collected.

Secretary/Bookkeeper Instructions for Form AF-3

1. Complete deposit slip with the Club & Bank bag # written on it.
2. Retain the Original form for your files and give a Copy to the person who collected the money.
3. This form **cannot** be used again to record additional collections. A new form must be used.

FORM AF-4: Fundraiser Application & Authorization

General Information:

Campus: _____ Organization: _____

Add space to indicate Tax Exempt Fundraiser

Fundraiser Information:

A. What type of merchandise or service will be sold or provided? _____

_____

_____

B. How will the merchandise or service be sold or provided (e.g., catalog sales, individual sales to students on campus, prepaid orders, etc.)

_____

C. Vendor Name: _____ Representative: _____

Address & Phone No.: _____

_____

_____

D. Fundraiser will be conducted from _____ to _____

(Month/Day/Year) (Month/Day/Year)

E. Funds generated will be used for (please describe): _____

_____

_____

Projected Sales & Expenses:

Total projected sales: $_____

Total projected expenses: $_____

Projected Net Profit: $_____

Sponsor Certification:

I hereby certify that the Financial Recap (form AF-5) will be completed and submitted to the Principal within 30 days after the conclusion of the fundraising activity. In addition, I certify that all monies collected will be deposited **daily** to the campus secretary/bookkeeper in accordance with the District's policy.

Sponsor's Signature: _____ Date:_____

Authorization: □ Approved □ Disapproved

Principal's Signature: _____ Date: _____

FORM AF-5: Fundraiser Profit/Loss Statement

Campus:_____ Organization:_____
_____

Date(s) of Event: _____ to _____
Month/Day/Year Month/Day/Year

Fundraiser Title: _____

A. Total Sales: $_____ (from page two)

B. Total Expenses: $_____(from page two)

C. Sales Tax: $_____

D. Actual Profit/Loss: $_____ (A minus B minus C)

Status of any remaining inventory:

_____
_____

_____
_____

_____
_____

****

Treasurer's Signature _____ Date _____

Sponsor's Signature _____ Date _____

Principal's Signature _____ Date _____

FORM AF-5: Fundraiser Profit/Loss
Page 2/2

Actual Sales:

	Receipt No.	**Amount Deposited**	**Sales Tax (if required)**
_____	_____	$_____	$_____
_____	_____	$_____	$_____
_____	_____	$_____	$_____
_____	_____	$_____	$_____
$_____	_____	$_____	
$_____	_____	$_____	
_____	_____	$_____	$_____
_____	_____	$_____	$_____
_____	_____	$_____	$_____
_____		**Total** **$**_____	**$**____

Actual Sales (Total Deposits – (Less) Sales Tax) **$ _____ (to be entered in A on page 1)**

Actual Expenses:	**Invoice Number**	**Amount**
	_____	$_____
	_____	$_____
	_____	$_____
	_____	$_____
	_____	$_____
	_____	$_____
	_____	$_____
	_____	$_____

_____ $_____

Total Expenses **$_____ (to be entered in B on page 1)**

Treasurer's Signature: _____ **Date:**_____

Sponsor's Signature: _____ **Date:**_____

Principal's Signature: _____ **Date:**_____

FORM AF-6: Authorization to Collect Funds from Students & Employees

<u>If Not a Fundraiser</u> (see Form: AF-4 for Fundraiser)

EX: Purchases of T-shirts, Field trip fees, Club Dues, Donations from outside sources etc.

Campus:_____ Employee Name:_____

Department/Club:_____

Information:

A. Reason and benefit for collection of funds:_____

_____

_____

B. If club dues, please attach the parent letter of what the funds will be spent on.

C. Will sales tax be added to the amount charged: Yes_____ No_____

Note the total amount charged (include sales tax if applicable): $_____

D. Describe how will the money be collected:_____

_____

_____

E. If Applicable, Vendor Name: _____ Representative:_____
_____

Address & Phone No.: _____

_____

_____

_____

F. Event will be conducted from:_____to:_____
(Month/Day/Year) (Month/Day/Year)

Funds must be secured in the campus vault/safe each day.

Sponsor/ Employee Certification:
I certify that BISD policies and procedures will be followed, and all funds collected will be turned in **<u>daily</u>** to the Principal's secretary/bookkeeper.

Employee Signature:_____ Date:_____

Authorization: □ Approved □ Disapproved

Principal's Signature:_____ Date:
_____

Internal Revenue Service 20-point Checklist for Independent Contractor

Mistakenly classifying an employee as an independent contractor can result in significant fines and penalties. There are twenty factors used by the IRS to determine whether you have enough control over a worker to be an employer. Though these rules are intended only as a guide (the IRS says the importance of each factor depends on the individual circumstances) they should be helpful in determining whether you wield enough control to show an employer-employee relationship. If you answer "Yes" to all of the first four questions, you're probably dealing with an independent contractor; "Yes" to any of questions 5 through 20 means your worker is probably an employee.

1. **Profit or loss.** Can the worker make a profit or suffer a loss because of the work, aside from the money earned from the project? (This should involve real economic risk-not just the risk of not getting paid.)
2. **Investment.** Does the worker have an investment in the equipment and facilities used to do the work? (The greater the investment, the more likely independent contractor status.)
3. **Works for more than one firm.** Does the person work for more than one company at a time? (This tends to indicate independent contractor status but is not conclusive since employees can also work for more than one employer.)
4. **Services offered to the general public.** Does the worker offer services to the general public?

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5. **Instructions.** Do you have the right to give the worker instructions about when, where, and how to work? (This shows control over the worker.)
6. **Training.** Do you train the worker to do the job in a particular way? (Independent contractors are already trained.)
7. **Integration.** Are the worker's services so important to your business that they have become a necessary part of the business? (This may show that the worker is subject to your control.)
8. **Services rendered personally.** Must the worker provide the services personally, as opposed to delegating tasks to someone else? (This indicates that you are interested in the methods employed, and not just the results.)
9. **Hiring assistants.** Do you hire, supervise, and pay the worker's assistants? (Independent contractors hire and pay their own staff.)
10. **Continuing relationship.** Is there an ongoing relationship between the worker and yourself? (A relationship can be considered ongoing if services are performed frequently, but irregularly.)
11. **Work hours.** Do you set the worker's hours? (Independent contractors are masters of their own time.)
12. **Full-time work.** Must the worker spend all his or her time on your job? (Independent contractors choose when and where they will work.)
13. **Work done on premises.** Must the individual work on your premises, or do you control the route or location where the work must be performed? (Answering no does not by itself mean independent contractor status.)
14. **Sequence**. Do you have the right to determine the order in which services are performed? (This shows control over the worker)
15. **Reports.** Must the worker give you reports accounting for his or her actions? (This may show lack of independence)
16. **Pay Schedules.** Do you pay the worker by hour, week, or month? (Independent contractors are generally paid by the job or commission, although by industry practice, some are paid by the hour.)
17. **Expenses.** Do you pay the worker's business or travel costs? (This tends to show control.)
18. **Tools and materials.** Do you provide the worker with equipment, tools, or materials? (Independent contractors generally supply the materials for the job and use their own tools and equipment.)
19. **Right to fire**. Can you fire the worker? (An independent contractor cannot be fired without subjecting you to the risk of breach of contract lawsuit.)
20. **Worker's right to quit.** Can the worker quit at any time, without incurring liability? (An independent contractor has a legal obligation to complete the contract.)

Boerne Independent School District

Contribution Acknowledgment

Boerne Independent School District greatly appreciates the support of:

Name of Contributor Individual/Organization:_____

Address:_____

_____

Contact Name and Phone Number:_____

Contact Email Address:_____

The contribution of:

☐ Monetary Contribution – Cash, Check, Money Order, Cashier's Check **Amount $ _____**

☐ Non-Monetary Contribution – Technology, Equipment, Furniture, or Other **Type** [ ]

Description

[ ]

Estimated Value $ _____ (The estimated value is not verified by Boerne ISD. The amount reported to the IRS is the responsibility of the contributor and not the District.)

This support will assist the District in continuing to improve the educational environment.

Name of District Employee receiving Contribution: _____

Title of District Employee: _____

School or Location: _____

Department: _____

Date received: _____

Boerne Independent School District is a public-school district and is a political subdivision of the State of Texas. The District is not a tax-exempt entity under the Internal Revenue Service (IRS) Code Section 501(c)(3). However, the District is considered a tax-exempt organization that may receive charitable contributions according to the IRS Code Section 170(c)(1).

The District may receive charitable contributions if they are for the public purposes, such as benefitting a group and not an individual. Contributions may be made to the District, District schools, District departments, or various District groups and clubs. These charitable contributions are deductible by the contributor on their tax returns. The federal identification number of Boerne Independent School District is #74-6000372.

Please note, contributions made to various parent organizations, such as PTOs and Booster Clubs, are <u>not</u> contributions to the District. Since these organizations are separate entities from the District, the District's tax-exempt status does not apply to these organizations. These organizations must apply for their tax-exempt status under IRS Code Section 501(c)(3). Evidence of their tax-exempt status would be a Determination Letter from the IRS. When a PTO or Booster Club donates monetary or non-monetary items to the District, then the donation is considered a contribution to the District.

Boerne ISD
Non-Monetary Donation Report

Use this form to report all non-monetary (non-cash) items or *services when received by the campus/department.
Email to: America.Jones@boerneisd.net

*An example of services: A PTO or Booster Club directly pays for a contracted service. The campus does not receive a check to deposit. An outside facility waives their rental fee for our use.

Campus/Department _____ Date: _____

Donor (if organization, please provide name of president if applicable)

Mailing address City State / Zip Code

Description of donation	Value*	Purpose of Donation
	$	
	$	
	$	
	$	
	$	
	$	

*Value, **determined by donor**, will be for internal reporting purposes only. This value may not be recognized/accepted as an appraised value for IRS purposes.

Boerne Independent School District is a public school district and is a political subdivision of the State of Texas. The District is not a tax-exempt entity under the Internal Revenue Service (IRS) Code Section 501(c)3. However, the District is considered a tax-exempt organization that may receive charitable contributions according to the IRS Code Section 170(c)(1).

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Boerne ISD Student Activity Authorization

Campus:		
Name of Club/Organization:		
Date of Meeting:		
Title of Expenditure:		
Quorum Present:	**Yes:**	**No:**
# of Student Members Present:		
$ Amount of Authorization:		

Purpose of Expenditure:

Voting:	**Yeas:**	**Nays:**

Signature of a Student Officer

Printed Name _____ Signature _____ Date _____

Signature of Sponsor

Printed Name _____ Signature _____ Date _____

Boerne Independent School District

Acknowledgement of Responsibilities

by
Sponsors of Campus & Student Activity Groups

I hereby acknowledge that prior to handling cash or engaging in fundraising and other activities described in this document, I have read the BISD Sponsor's Manual. Furthermore, I understand that I am responsible for the compliance of the procedures as describe herein and attest to the following:

1. I am responsible for safeguarding and accounting for monies received from or on behalf of the students.

2. Money will be turned into the office daily in the same form as it was received. I will receive prior Principal's approval on AF-6 before collecting any monies from students or other employees.

3. All purchases made on behalf of a student or campus activity fund will have the Principal's written approval in advance on the appropriate form.

4. I will comply with all state and local laws, and all District approved accounting practices and procedures. This includes Conflict of Interest disclosures for purchasing & the employment of related parties.

5. I will maintain a positive balance in my activity fund's account.

6. All fundraising activities will be approved in advance by the Principal on form ***AF-4 Fundraiser Application*** and submission of ***AF-5 Fundraiser Profit & Loss*** within 30 days following the completion of each fundraiser.

7. UIL Activity Accounts: I am responsible for compliance with all UIL Guidelines that apply to my activity account. I furthermore recognize that it is my responsibility to keep current on all UIL guidelines.

I understand that I will be held accountable for any student and/or campus funds entrusted to me and that I will reimburse the organization for any money that is lost due to carelessness, theft, fraud, or failure to follow established procedures.

_____ _____

Print Name School

_____ _____

Sponsor's Signature Organization Name

_____

Date Signed