Business Office Manual

(Guide for District Staff)

Updated 7.23.19

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Introduction

This manual has been prepared to provide general information about several San Benito CISD business functions. Additional information may be available within the district's Board Policies, Administrative Procedures, or other web resources.

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

In accordance with Board Policy CAA (Local), all trustees, employees, vendors, contractors, agents, consultants, volunteers, and any other parties who are involved in the District's financial transactions shall act with integrity and diligence in duties involving the District's fiscal resources.

If assistance is needed in any area of our business operations, please contact any of the staff members listed below.

Business Office Staff

The Business Department staff shall perform multiple roles; however, adequate controls of separation of duties shall be maintained at all times. The staff consists of:

Monica Mata - Chief Financial Officer Email: mmata@sbcisd.net	**Patty Portales** - Secretary Email: pportales@sbcisd.net Ext: 6168
Christopher Cortez - Accounting Director Email: clcortez@sbcisd.net Ext: 6171	**Indira Arias** - Business Accountant Email: iarias@sbcisd.net Ext: 6178
Cynthia Cavazos - Accounting Specialist Email: ccavazos@sbcisd.net Ext: 6165	**Veronica Martinez** - Accounts Payable Clerk Email: vemartinez@sbcisd.net Ext: 6173
Irma Corkill - Accounts Payable Clerk Email: icorkill@sbcisd.net Ext: 6133	Elizabeth Rodriguez Accounts Payable Clerk Email: erodriguez3@sbcisd.net Ext: 6167
Edith Guerra - Accounts Payable Clerk Email: edith.guerra@sbcisd.net Ext: 6174	Tom Hawkins - Business Office Clerk Email: thawkins@sbcisd.net Ext: 6564

The Business Department staff shall sign a Confidentiality Agreement upon employment, on an annual basis, and upon revisions of this document.

San Benito CISD Mission Statement

The mission of the San Benito CISD is to provide a premier education for all students, through a positive and safe learning environment, so that its graduates are college, career, and workforce ready.

Accounting Code Structure

The Financial Accounting & Reporting Module of the Financial Accountability System Resource Guide (FASRG) contains the required accounting code structure. Use of the appropriate accounting code structure is mandatory. The code structure is available on the TEA website at www.tea.texas.gov.

A major purpose of the following accounting code structure is to establish the standard school district fiscal accounting system required by law. Although certain codes within the overview may be used at local option, the sequence of the codes within the structure, and the funds and chart of accounts, are to be uniformly used by all school districts in accordance with generally accepted accounting principles.

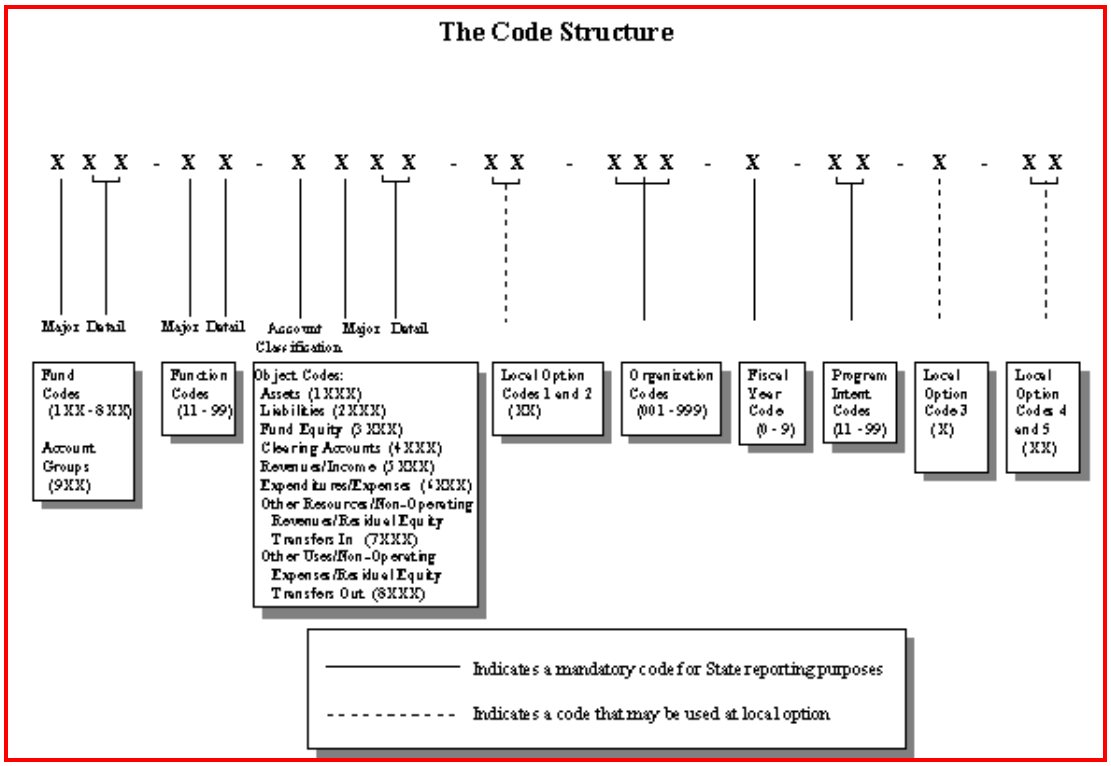


Exhibit #29 of the TEA FAR: 1.4.1 Overview of Account Codes

Account Code Basics

The ***R*** by a code indicates that the code is required for reporting purposes (PEIMS and/or Annual Financial and Compliance Report) if such codes are applicable to the school district.

R 6399 General Supplies
This code is used to classify expenditures/expenses for those items of relatively low unit cost (even though used in large quantities) necessary for the instruction process and/or for administration.

6395-6398 Supplies and Materials - Locally Defined (Convert to Object Code 6399 for PEIMS)
These codes are used, at the option of the school district, to classify supplies and materials. For PEIMS, these accounts are converted to Object Code 6399.

The FAR Module contains explanatory guidance:

6240 Contracted Maintenance & Repair Services
When contracted maintenance and repair services are rendered, the total cost of the service, including labor and parts, is to be included in the appropriate contracted services account. Maintenance contracts are to be included in the appropriate expenditure object codes defined below.

The FAR Module contains examples of costs:

6499 Miscellaneous Operating Costs
This code is used to classify expenditures/expenses for all other operating costs not mentioned above. This account includes:

- Fees (not associated with travel)
- Food/refreshments for school-related meetings

The FAR Module contains Include and Exclude tables:

Function 12 - Costs to Include:	Function 12 - Costs to Exclude (with Correct Function):
with:	
• Librarians	• Encyclopedias and other reference books in the classroom (Function 11)
• Library aides and assistants	• Supplies and services for upkeep and maintenance for buildings and grounds, including utilities (Function 51)
• Media or resource center personnel who work in an audiovisual center, television studio or related work-study areas	• Textbooks (Function 11)
• Substitute pay for library staff (ALL substitutes effective 2008-09 fiscal year)	• Teaching supplies used in the classroom (Function 11)

The FAR Module contains a description of all parts of the 20-digit account code:

XXX-XX-XXXX-XX-XXX-X-XX-XXX

1 2 3 4 5 6 7 8

1 Fund	A mandatory 3 digit code is to be used to identify the fund group or specific group
2 Function	A mandatory 2 digit code that identify the purpose of the transaction
3 Object	A mandatory 4 digit code that identifies the nature of the transaction or source
4 Sub-Object	A 2 digit code for optional use to provide special accountability at the local level
5 Organization	A mandatory 3 digit code that identifies the organization (campus or department)
6 Fiscal Year	A mandatory 1 digit code that identifies the fiscal year of project year of the expense
7 PIC	A mandatory 2 digit code that designates the intent of a program provided to students
8 Local	A 3 digit code for optional use to further describe a transaction

The San Benito CISD Chart of Accounts is available below and online.

SAN BENITO CISD CHART OF ACCOUNTS APPENDIX A

Fund	
100	**General Fund**
101	Child Nutrition Program
161	Athletics
162	Band
163	Choir
191	Project Fit
199	General Fund/Local Maintenance
200-400	**Special Revenue Funds**
211	ESEA, Title I, Part A
212	ESEA, Title 1, Part C - Migrant
224	Idea-B Formula
225	Idea-B Preschool
244	Federal Vocational
255	ESEA, Title II, Part A: Teacher & Principal Training
263	ESEA, Title III
274	GEAR UP
289	Title IV, Part A
352	Texas 21st CCLC Cycle 9
410	Textbook Fund
428	District Share of E-Rate
429	Pre-Kindergarten Grant
461	Campus Activity Fund
500	**Debt Service Funds**
599	Debt Service
700	**Propriety Funds**
753	Employee Group Health Insurance
800	**Agency Funds**
801	Falligant Trust
806	SBCISD Scholarship fund
829	Montemayor Memorial Fund
861	Tax Clearing Account
863	Payroll Clearing Fund
865	Student Activity Accounts (Clubs & Org)
900	**Capital Assets and Long Term Debt**
901	Fixed Assets Fund
902	Long Term Debt Fund

Function	
11	Instruction
12	Instructional Resources & Media Svs
13	Curriculum Development & Instructional Staff Dev.
21	Instructional Leadership
23	Campus Administration
31	Counseling Services
32	Social Work Services
33	Health Services
34	Student Transportation
35	Food Services
36	Cocurricular/Extracurricular Activities
41	General Adminstration
51	Plant Maintenance & Operations
52	Security & Monitoring Services
53	Data Processing Services
61	Community Services
81	Facilities, Acquisition, and Construction
93	Payments to Fiscal Agent of SSA, Sp.Ed. Co-Op
95	Payments to JJAEP
99	Other Intergovernmental
6100	**Payroll Costs**
6112	Salaries for Substitute Teachers
6118	Salaries, Professional, Extra Duty (6119)
6119	Salaries, Teachers & Professional Personnel
6121	Extra Duty Pay, Overtime, Support Personnel
6125	Part-Time Hourly
6126	Part-Time Professional
6129	Salaries, Paraprofessional & Support Staff
6130	Employee Allowances
6134	Travel Allowances
6141	Social Security/Medicare
6142	Group Health Insurance
6143	Workers Compensation
6144	TRS On-Behalf Payments
6145	Unemployment Compensation
6146	Teacher Retirement/TRS Care
6149	Employee Benefits
6200	**Professional & Contracted Services**
6211	Legal Services
6212	Audit Services
6213	Tax Appraisal and collection
6216	Pupil Appraisal
6217	Data Processing Professional
6218	Consultants
6219	Professional Services
6220	Tuition and Transfer Payments
6221	Staff Tuition and Fees - Higher Ed
6222	Student Tuition - Public
6223	Student Tuition - Other than Public Schools
6238	Other ESC Services
6239	Education Service Center Services
6244	Computer Maintenance & Repair
6245	Vehicle Maintenance & Repair
6246	Audio & Visual Maintenance & Repair
6247	Other Contracted Services
6248	B&G Maintenance & Repair

Object	
6249	Equipment Maintenance & Repair
6255	Water / Garbage
6256	Telephone
6257	Electricity
6258	Natural Gas
6259	Utilities
6264	Furniture Rentals
6266	Vehicle Rentals
6268	Building Rentals
6269	Other Rentals
6291	Consulting Services
6293	Employee Uniforms
6294	Misc Contracted Services
6295	Contracted Catering Services
6296	Contracted Services Fee
6297	Misc Contracted Services
6299	Miscellaneous Contracted Services
6300	**Supplies & Materials**
6311	Gasoline And Other Fuels
6315	Janitorial Supplies & Material
6316	Building Supplies & Materials
6317	Grounds Supplies & Materials
6318	Vehicle Supplies & Materials
6319	Supplies For Maintenance & Operations
6320	Textbooks and Other Reading
6321	Textbooks-Purchased
6325	Books/References
6326	Library Books
6329	Magazines & Periodicals
6339	Testing Materials
6341	Food -Supplies & Materials
6342	Non-Food
6344	USDA Donated Commodities
6390	Supplies and Materials
6395	Furn/Equip<$5000
6396	Comp/Elec <$5000
6397	Computer Software & Supplies
6398	Other Supplies
6399	General Supplies
6400	**Other Operating costs**
6410	Travel Subsistence & Stipends
6411	Travel - Employees
6412	Travel - Students
6417	Travel - Board Members
6419	Travel - Non Employees
6425	Property Insurance
6426	Liability Insurance
6427	Bonding Expenses
6428	Athletic Insurance
6429	Insurance And Bonding Costs
6430	Election Costs
6439	Election Costs
6449	Depreciation Expense
6490	Miscellaneous Operating Costs
6491	Required Publication
6493	District Shared Services
6494	Transportation
6495	Dues
6497	Fees & Dues
6498	Awards
6499	Miscellaneous Operating Costs
6500	**Debt Service**
6510	Debt Principal
6511	Bond Principal
6512	Capital Lease Principal
6520	Interest Expenditures
6521	Interest On Bonds
6522	Capital Lease Interest
6599	Other Debt Service Fees
6600	**Capital Improvements**
6614	Land Purchase
6615	Land Improvements
6619	Land Purchase & Improvement
6624	Geotec/Survey
6625	Architect
6626	Testing
6627	Printing
6628	Other
6629	Buidling Purch Const.Improvements
6631	Vehicles
6636	Data Processing Equipment Purchase
6639	Furniture,Equipment & Software

Organizations	
001	SBHS High School
003	Cameron Co JJAEP
004	PRC At Callandret Site 3
005	Amador R Rodriguez Boot Camp
007	Veterans Memorial Academy
009	Gateway to Graduation Academy
041	Berta Cabaza Middle School
042	Miller Jordan Middle School
043	Riverside Middle School

Organization	
101	Fred Booth Elementary
103	Dr Cash Elementary
104	Ed Downs Elementary
108	Rangerville Elementary
109	Frank Roberts Elementary
110	Sullivan Elementary
112	La Encantada Elementary
114	La Paloma Elementary
115	Dr Raul Garza, Jr. Elementary
116	Judge Oscar De La Fuente Elem.
117	Angela Gerusa Leal Elementary
201	Hester Juvenile Detention Cent
699	Summer School
701	Superintendent
702	School Board Of Education
703	Tax Office
716	Student Services
717	Community Relations
718	KSBG-TV
724	Payroll
725	PEIMS
726	Asst Supt Finance & Opererations
727	Asst Supt Administrative Services
728	Purchasing
801	Asst Supt Academic Services
802	Reading - Pre kinder
803	Federal Programs
804	District Library
805	Migrant
806	Bilingual
807	Special Education
808	Gifted And Talented
809	Texas 21st Century
812	Staff Development
836	Elementary Education
871	Secondary Education
872	Print Shop
873	Instructional Technology
901	Instructional Coaches
922	Police Department
930	Textbook Custodian
931	Athletics
933	Transportation Dept.
935	Food Service
936	Maintenance & Operation
937	Construction
938	A/C
939	Health Services
947	Risk Management
948	Technology Department
949	Research Assessment/Evaluation
950	Parental Involvement
999	Systemwide

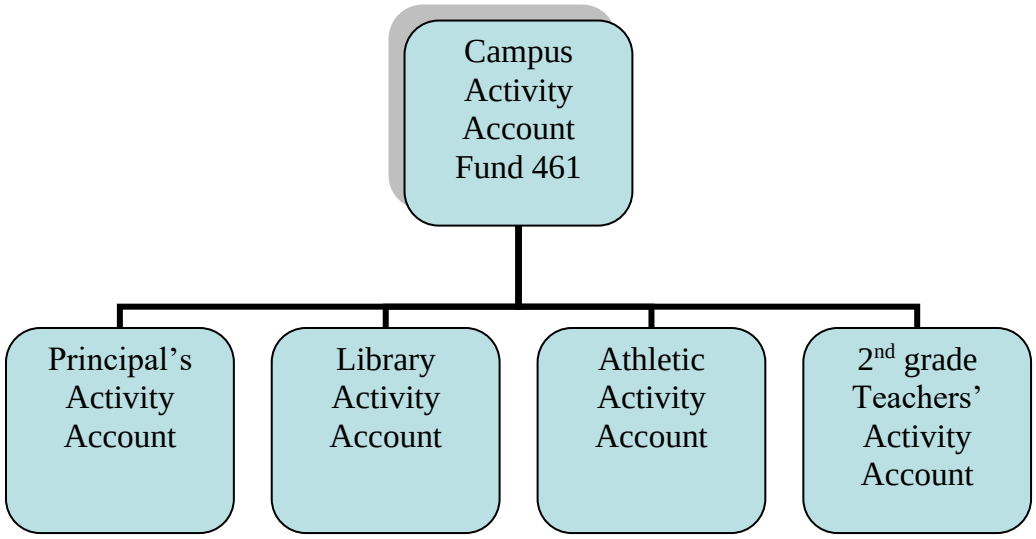
Fiscal Yr	***(fiscal year will only appear on federal funds)***
9	2018-2019
0	2019-2020 *(current year on local funds)*
1	2020-2021
2	2021-2022
3	2022-2023

Program	Intent Code
11	Basic Educational Services
21	Gifted And Talented
22	Carreer And Technology
23	Special Education
24	Accelerated Education SSI/ELC
25	Bilingual Education
26	AAEP Gateway to Graduation Aca
28	Daep Supplemental
30	Title I Part A
31	High School Allotment
32	PreKingergarten (Pre-K)
33	Prekindergarten - Special Ed
34	PreKingergarten - Comp Ed
35	PreKingergarten - Bilingual Ed
91	Athletics
99	Undistributed

Local	
000	District Wide
100	Principal
200	Maintenance & Operation
300	Purchasing
400	Child Nutrition
500	JROTC
600	Technology
700	Security
800	CTE
900	Business Office

Activity Funds – Overview

Campus activity funds **(Fund 461)** are school funds managed under the direction of the campus principal. These funds shall be referred to as "Campus Activity Funds". There may be multiple sub-accounts within the Campus Activity Fund as illustrated below:



Sub-accounts within the Campus Activity Fund are not student club or organization funds. The funds raised within the sub-accounts shall be used to benefit that respective activity under the direction of the district staff member who oversees the account, subject to the approval of the campus principal.

According to the FASRG, Site-Based Decision Making Module, activity funds historically have been accounted for by school districts in various fund groups: general fund (Fund 19X), special revenue funds (Fund 461) and agency funds (Fund 865). A school district should consider the following questions to determine the proper method and fund in which activity funds should be accounted:

- Does local board policy allow for recall of excess or unused fund balances into the general fund for general school district use? If so, these activity funds should be accounted for in the *general fund*, and revenues and expenditures should be budgeted.
- Do other persons besides the students involved in the activity fund (teachers, sponsors, principals, administrators, etc.) have access to activity fund? If so, this money should be accounted for in *Fund 461 - Campus Activity Funds.*
- Do activity fund financial decisions rest solely with the students? If so, this money should be accounted for in *Fund 865 - Student Activity Account* which serves as an agency account for student club or class funds.

The district has made the determination that all Campus Activity Funds will be accounted for in Fund 461. This shall include the principal's activity account and other accounts such as the library, grade level teachers, athletics, etc.

The district has made the determination that all Student Activity Funds will be accounted for in Fund 865. This shall include all student organizations and clubs that meet the definition of a bona fide club or chapter, i.e. have elected officers and by-laws.

Campus Hospitality or Sunshine (Faculty Fund) accounts shall be accounted for in Fund 865 in accordance with the FASRG.

The expenditure of Campus and Student Activity funds shall be in accordance with district policy and procedures. The following Allowable and Non-Allowable expenditures are for illustration purposes only, this is not an all-inclusive list. A final decision regarding allowability will be made at the time of the purchase order and/or payment approval.

<u>Allowable</u>

a. Student trip related expenses such as meals, entry fees, lodging, transportation, etc.

b. Staff or student meals or refreshments (infrequent and nominal cost)
c. Awards/incentives (non-cash) of nominal value
d. Club supplies
e. Equipment, but it must be donated to the campus or district
f. Rentals such as vehicles, equipment, etc.
g. Contracted services such as printing, DJ services, motivational speaker, photographer, etc.

Non-Allowable

a. Alcohol, tobacco or other controlled substance
b. Payments of wages to district employees
c. Individual gifts to a specific student or staff member (exceptions may apply to student organization funds)
d. Donations to a person or outside organization (exceptions may apply to student organization funds)

Activity Funds (Campus or Department) – Fund 461

Campus activity funds (under the control of the principal) shall be collected, receipted, and deposited to the district's business office on a daily basis. A **Student Activity Fund Detailed Deposit Slip** (available in Forms online) shall be used to submit funds collected to the business office. Refer to cash/check handling procedures. All monies collected should be receipted in a receipt book [bound and pre-numbered receipts].

Campus activity funds are managed using a centralized system. All deposits and expenditures under a centralized system shall be made through the district business office.

Campus activity funds shall be primarily used to benefit students in accordance with School Board Policy. [Refer to School Board Policy CFD Local] Typical uses include field trip fees, awards, incentives, etc. These funds shall not be used for "gifts" to students and/or staff. Budgeted funds shall not be used to generate activity funds, nor shall staff (administrative/support) earn wages while generating activity funds. Giving of staff time to generate activity funds shall be voluntary.

Generating activity funds shall not in any way compete with the district food service activities. Activity funds generation shall be a passive activity and shall not detract from the district's overall primary educational purpose. The generation and expenditure of campus activity funds shall be held to the same standard and scrutiny as that of appropriated funds. Activity funds shall be audited and must adhere to accepted business practices.

Activity Accounts (Student Organizations & Faculty Funds) – Fund 865

Student and Faculty activity funds **(Fund 865)** are held in a trustee capacity by the district and they consist of funds that are the property of students or others. These funds are not district or campus funds, but rather trust funds belonging to the students and/or faculty. The funds may be used in any manner to benefit the students and/or faculty at the direction of the students and/or Faculty Committee subject to the oversight and approval of the campus principal as "trustee" over the funds.

Student Organizations

Student clubs and organizations shall be defined as a student-led groups with formation documents, by-laws, and elected officers. All student clubs and organizations shall function under the sponsorship of a campus staff member, i.e. teacher or other staff member.

Student activity funds (under the control of the principal) shall be collected, receipted, and deposited to the district's business office on a daily basis. A **Student Activity Fund Detailed Deposit Slip** shall be used to submit funds collected to the business office. Refer to the **Cash Management Procedures**. All monies collected should be receipted in a receipt book [bound and pre-numbered receipts] or on the **Activity Funds Operating Report** (refer to Student Activity Forms). A **Fundraising Collections Record**

form shall be used for all non-reimbursable sales that are less than $5.00 per transaction. Examples of these fundraisers may include: candy sales, ice cream, flowers, etc.

Student activity funds are managed using a centralized system. All deposits and expenditures under a centralized system shall be made through the district business office.

Student activity funds shall be used exclusively for the benefit of students. Typical uses include travel, awards, banquets, supplies, etc. These funds shall be used at the discretion of the student organization through designation of one or more of its officers. **Class/club meeting notes should be on file to support student decisions regarding the expenditure of their class/club funds.**

Fundraising

All fundraising shall be in accordance with the Activity Account Manual's Fundraising Guidelines. The Campus Principal shall approved all fundraisers in accordance with School Board Policy.

A **Fundraising Application for Activity Funds** should be submitted to the principal in advance of the scheduled activity and is limited to two fundraiser applications per group per school year.

Generation of student activity funds shall not in any way compete with the district's National School Lunch Program (NSLP). An Authorization to Conduct to a Fund Raiser form should be submitted to the principal in advance of the scheduled activity. Food sales during the school day shall be limited to the district pre-approved list, emailed, and approved by the Child Nutrition Program after reviewing the nutrition label of the food item. **Effective July 1, 2014, the United States Department of Agriculture (USDA) will limit the types of foods and beverages that may be sold to and consumed by students at school during the school day.** [Note: The school day is defined by the USDA as: the period from the midnight before, to 30 minutes after the end of the official school day. These standards will impact all those responsible for selling food to students including: food service departments, fundraisers, school clubs, and groups. The Smart Snack standards do not apply to food sold during non-school hours, foods sold to adults, parents, staff, and foods brought to school by a student for personal consumption. Additional information regarding the Smart Snack guidelines is available at: http://www.fns.usda.gov/school-meals/smart-snacks-school.

Merchandise ordered for resale should be distributed to students on a written distribution log (refer to Student Activities Forms). The merchandise distribution log should reconcile with the corresponding invoice and/or packing list.

At the end of the fund raising activity, an **Activity Funds Operating Report** should be filed with the principal. Activity funds shall be audited on at least an annual and must adhere to accepted business practices.

Merchandise ordered for resale should be distributed to students on a **Merchandise Distribution Log** (refer to Student Activities Forms). The merchandise distribution log should reconcile with the corresponding invoice and/or packing list.

Opening and Closing Student Activity Accounts

To establish an activity account, an organization should have approved by-laws and elected officers.

The principal shall submit a list of all clubs and organizations with the elected officers to the business office on an annual basis. A **Request to Establish a New Student Activity Account form** shall be submitted by a campus principal to the Business Office. If the requested account meets the requirements of a trust account, a Student Activity Account will be created using Fund 865. However, if the account does not meet the requirements, a Campus Activity Account will be created using Fund 461.

The assigned organization sponsor (professional staff member) shall be responsible for the proper management of the student activity accounts. Annual training will be scheduled to assist the organization sponsors in managing their respective student activity account(s). Every sponsor should complete and submit a **Sponsor Acknowledgement of Responsibility Form** to the principal.

The treasurer and/or president of the organization shall sign-off on all purchases and/or a copy of the meeting minutes shall be submitted with every purchase and payment request.

Records Retention

Since Student Activity Accounts are trust funds that the campus manages on behalf on the students, accountability for these funds is extremely high. All Activity Account records must be maintained for a period of 5 years in accordance with TSLAC minimum retention and Local Records Retention Schedule. This includes merchandise logs, receipt logs/books, profit/loss statements, etc. At the end of every school year, the principal, as part of the closeout procedures, shall collect all club records for storage on the campus for 2 years, then at the Records Center for the rest of the archival period of time. New receipt books should be issued to staff members for each fiscal year.

Hospitality/Sunshine Faculty Funds

Campuses may establish a Faculty Fund (Hospitality or Sunshine) with voluntary donations from staff. These funds are not campus funds, but rather trust funds belonging to the faculty. The funds may be used in any manner to benefit the faculty at the direction of the Faculty Committee subject to the oversight and approval of the campus principal as "trustee" over the funds.

Purchases with these funds are subject to sales tax as they represent personal purchases and not district or campus purchases. Purchases typically include flowers for ill staff members, employee recognition awards, etc. These funds shall be deposited and expended from an Agency Fund (Fund 865).

Additional information is available in the Activity Account Manual posted on the district's business webpage: **SBCISD Forms Page**

Budget Amendments

A budget amendment is a transfer of funds across difference functions. For example: a budget amendment would result if instructional funds (function 11) were requested to be transferred to the library (function 12). Budget amendment line items should exceed $100 dollar threshold and be stated in whole dollars.

A **Budget Amendment-Transfer form** shall be physically submitted to the Business Office for board approval. Budget amendments must be approved by the School Board. Requests should be submitted in accordance with agenda deadlines posted by the Superintendent. Remember that if a purchase order is pending the outcome of a budget amendment, the purchase order will not be processed until after the School Board has approved the request.

Budget Amendment-Transfer Form

Budget Transfers

A budget transfer is a transfer of funds which is not across different functions. A budget transfer shall be submitted online through the district finance system. The Chief Financial Officer shall approve all budget transfers. Budget transfer line items should be stated in whole dollars.

To keep budget transfers to a minimum, each budget manager should review his/her budget on at least a monthly basis to determine if any budget transfers are necessary.

All budget transfers and/or amendments in state or federal grants shall be approved by the Federal Programs Director to ensure that a grant amendment is filed with the granting agency (such as TEA), as appropriate.

Budget Amendment-Transfer Form

Cash/Check Handling

All cash receipts shall be handled in accordance with the **Cash Management Procedures**. A receipt shall be issued for all cash collections, except for minor sales from fundraisers (candy, ice cream, etc.) or library fines. Generally, a receipt shall be issued for all collections from an individual that equal or exceed $5.00. An **Activity Account Daily Collections Report** shall be generated for non-receipted cash collections and submitted with the cash deposit to the campus secretary/bookkeeper. **Note: A copy of all receipts shall move with the funds from the sponsor to the campus secretary bookkeeper to the business office.**

All cash and checks shall be deposited to the campus secretary/bookkeeper on a daily basis. No post-dated checks should be accepted. Funds should not be kept in classrooms, personal wallets or purses, or at home for extended periods of time. **No cash purchases should be made – every dollar collected should be receipted and deposited to the campus secretary/bookkeeper.** The campus secretary/bookkeeper shall receipt [in a bound, pre-numbered receipt book] and forward all monies on a daily basis to the district's business office, or secure overnight in a locked campus safe if the deposit cannot be made the same day. A **Cash Receipt form** should be included with all deposits.

Athletic event gate receipts (admission tickets pre-sale, student sales, etc.) shall be recorded on the appropriate athletics form and submitted by the Ticket Taker to the principal or athletics secretary. Funds shall be forwarded to the business office for deposit to the appropriate athletic events revenue account(s). All other ticketed events such as a UIL Play shall be supported by a **Ticketed Event Form**.

Concession sales shall be supported by a **Concession Stand Sales & Reconciliation Form**. The club or organization sponsoring the concession sales shall be responsible for maintaining records of the goods (food and non-food supplies) purchased, sold and inventory on hand.

All checks received shall be deposited to the district's depository bank through use of Remote Deposit services. A Remote Deposit scanner shall be assigned to the district office, each campus and the Child Nutrition Department.

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

Check Processing

All check payments shall be in accordance with the **Accounts Payable Procedures**. Business Office checks will be printed, endorsed, and released on a weekly basis. Generally, checks will be generated on Thursday and released on Friday. At times checks may be processed earlier or later, due to holidays, staff work schedules or unforeseen events. All check requests, including supporting documentation, such as travel advances/reimbursements, petty cash, construction, etc. shall be approved by the appropriate principal or administrator and submitted to the principal so it can be processed accordingly. Check requests without all of the supporting documentation will not be accepted, nor processed. The Business Office shall determine the date that vendors will be paid, so employees should not make prior commitments to vendors about check disbursements.

The appropriate forms shall be used for travel and petty cash disbursements, all other non-purchase order disbursements and/or reimbursements shall be communicated with the accounting director. State law requires that the district pay all invoices within 30 days to avoid penalty and interest charges, so all invoices should be submitted to the appropriate accounts payable clerk on a timely basis for payment.

State law, Texas Prompt Payment Act, requires that the business office pay all invoices within 30 days of the receipt of the good and/or services or the invoice date, whichever is later. Incorrect and incomplete invoices shall be disputed in writing within ten (10) days. To avoid penalty and interest charges, all invoices shall be submitted to the business office on a timely basis for payment. Vendor provided discounts, such as net 10, shall be taken as appropriate.

Checks not cashed within 90 days from date of issue will be voided. A new check will be reissued if the payee is located and requests a reissue. Otherwise, the funds will be distributed in accordance with the State of Texas Unclaimed Property Guidelines.

Consultants or Contracted Services

The **Contract Management Procedures** shall be adhered to in reviewing and accepting professional and contracted service contracts to be funded through federal, state or local funds.

Consultants are non-employees who are contracted to perform a personal or professional service such as staff development, medical services, etc. A **Consultant Contract/Contracted Services Form** is required for every consultant. If the consultant (vendor) does not provide their own company contract, a **Consultant Contract/Contracted Services Form** shall be executed by the vendor. All contracts shall be subject to review by the appropriate personnel and. After review, the contract shall signed by the assistant superintendents and superintendent on behalf of the district.

The assistant superintendents (or designee) and superintendent is the only individual authorized to sign contracts on behalf of the district. **No other employee is authorized to sign a contract or agreement on behalf of the district.** Contracts that exceed $50,000 shall also be approved by the School Board – refer to School Board Policy CH Local.

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

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

If a contract for a consultant or contracted services will be funded through a federal grant, the Grants Manager shall also approve the contract to ensure that it is: 1) included in the grant application; 2) budgeted in the grant; 3) verify that the contracted services is allowable under the grant; and 4) approved for the granting agency (such as TEA). The contract language required in the federal regulations (EDGAR) and state regulations (TEA) shall be included in every contract funded with federal grant funds.

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

Please follow these procedures when submitting a Consultant Contract/Contracted Services Form:

- Obtain the following documents as required in the Guidelines for Vendors and Required Bid Forms website:
  - Vendor Application
  - A completed W-9 form
  - Conflict of Interest Questionnaire

- A Felony Conviction Form
- If the consultant will work directly with students, a Criminal Check Authorization form and State Board of Educator Certification fingerprinting documentation.
- Form 1295, if applicable (contract value over $1 million or approved by the Board)

- Submit a requisition to encumber the funds required for the contract. The contract will not be released to the consultant, nor will the consultant be allowed to begin work for the district, until a purchase order is approved by the final approver [position].

Contracted services include services such as repairs, maintenance, technical support, and related services. Documentation of insurance, such as general liability, workers compensation, and auto liability, shall be submitted to the business office with the purchase order. The Certificate of Insurance shall name San Benito ISD as additional insured.

Contracts for Service Agreements

All contracts for rentals, service agreements, etc. must be signed by the Superintendent or designee. **No other employee is authorized to sign a contract or agreement on behalf of the district.** An employee who signs a contract or agreement, without proper authorization, will be personally liable for the terms of the contract or agreement. Contracts that exceed $50,000 (refer to School Board Policy CH Local) shall be approved by the Board of Trustees. Refer to the Contracts for Consultants and Contracted Services for additional guidance related to contract administration.

All contract in excess of $1,000,000 and/or approved by the School Board must comply with the Texas Ethics Commission requirements as they relate to completion and acknowledgement of Form 1295 – Certificate of Interested Parties.

Copiers

The district leases several copiers that are strategically placed in different campuses or departments. The copiers are for district business use only. These leases are negotiated through the Purchasing Department only. All contracts for rentals, service agreements, etc. must be signed by the Superintendent or designee.

Credit Cards

The district utilizes several credit cards for purchasing of food, supplies, and travel. The credit cards shall be maintained at the business office and checked out upon approval of a purchase order.

Credit purchases must be pre-approved on a purchase order. The immediate supervisor shall review and approve all credit card purchase receipts prior to submission to the business office.

All credit receipts (detailed, itemized) shall be submitted to the business office within 3 days of purchase to ensure prompt payment to the vendor. If receipts and credit card receipts are not submitted on a timely basis, these charges will be temporarily posted to the campus' activity account until receipt of the supporting documentation or subject to immediate reimbursement by the employee. District credit card usage may be suspended and/or revoked if receipts are not submitted on a timely basis.

All district employees that have been authorized to utilize a credit card for purchases shall sign a **Credit Card User Agreement**. Violations of the Credit Card User Agreement may result in disciplinary action, up to and including employment termination.

The district does not allow the use of the selected merchant credit cards for purchases from federal grants. Expenditure of federal funds with a credit card shall be allowable under the grant program. The Grants Manager may be required to approve questionable credit card expenditures. If a credit card expense does not meet the requirements of a state or federal grant, the expenditure shall be reclassified to local

funds (Fund 199 or 461). Documentation of purchases with federal grant funds shall be in accordance with the **EDGAR Policies and Procedures Manual**.

Authorized personnel who are entrusted with credit cards shall properly secure the cards [when not in use] in a locked safe. Annual training related to credit cards shall include: 1) allowable purchases; submission of detailed receipts; transaction limits; security of the credit card; and return of the credit card upon completion of the approved purchase and/or employment with the district, as appropriate.

Donations and Gifts

Donations or gifts of cash or cash equivalents (gift cards), equipment, or materials to individual schools or to the district by individuals or organizations shall become property of the district. The **Donation Gift Request** shall be completed by the donor. District employees are prohibited by law from intentionally or knowingly offering, conferring, agreeing to confer on another, soliciting, accepting, or agreeing to accept a personal gift or benefit.

Cash donations shall be deposited to the appropriate account in accordance with the cash/check handling procedures.

Donated equipment shall have an inventory tag affixed to it if the unit value is greater than $5,000. In addition, the equipment shall be added to the district inventory.

All donations shall be approved by the Superintendent or designee in accordance to Policy CDC(Local). All donations for technology equipment shall be approved by the Technology Director prior to the Superintendent and/or School Board approval.

Campus shall not utilize an external donor website (such as gofundme.com) to seek donations for the campus without the written authorization from the Superintendent. Donor websites shall not be established by the campus for the personal benefit of a staff member or student. If a campus staff member or student establishes a personal donor webpage, the webpage link may be distributed via campus email to all staff and/or students with the written authorization from the Superintendent.

Student activity clubs and organizations may utilize external donor websites to seek donations for their club or organization with the written authorization from the campus principal and superintendent.

Donations, if any, received through the donor website shall be deposited in the appropriate depository account. All expenditures with the donated funds shall follow the established purchasing and payment procedures.

Field Trips

A **Field Trip Request Form** shall be submitted for all field trips funded through local, state and federal grant funds. The form shall be submitted with a copy of the teacher's lesson plans for audit purposes.

All field trips shall be submitted at least 2 weeks prior to a field trip. The field trip request will be forwarded to the appropriate administrator and Chief Academic Officer for approval. The final approval for all travel (in-state or out-of-state) will rest with the Superintendent in accordance to FMG(Local).

A purchase order shall be submitted for admission fees, meals, etc., if any. In addition, a **Field Trip Lunch Request** (if applicable) or similar form shall be completed and submitted 2 weeks prior to the field trip to the Food Service Director.

If a district-owned vehicle or school bus if requested, specific details regarding the destination, type of vehicle, departure and return times shall be submitted at least 2 weeks prior to the field trip

In the event that a staff member transports students to an approved event in a private or leased vehicle, the staff member shall be on the Authorized Driver List and shall provide proof of automobile insurance coverage.

Educational field trips funded through federal grant funds must be pre-approved by the granting agency and/or the pass-through entity (TEA), as appropriate. All requests shall be submitted to the Grants Manager on a **Request for Specific Approval: Educational Field Trips Form** (located on TEA's website). The Grants Manager shall obtain the pre-approval from the appropriate entity. All state and federal guidelines must be adhered to. See **EDGAR Policies and Procedures Manual.**

Fiscal Year

The fiscal year begins on July 1st through June 30th. All goods and/or services received and invoiced during these dates must be paid from current fiscal year funds.

All invoices for goods received before June 30, shall be submitted to the Business Office by July 7th for processing and payment.

Fixed Assets & Inventory

All fixed assets and inventory shall be tracked, maintained and disposed of in accordance with the **Fixed Assets & Inventory Procedures**.

Fixed assets are defined as equipment with a unit value over $5,000. These assets are tracked and recorded on the district's financial general ledger. Fixed assets that are stolen, obsolete, damaged beyond repair, etc. should be reported to the Purchasing Department for removal from the district's financial records. All fixed assets must be purchased through the use of an Object Code 663X.

Inventory items are defined as equipment with a unit value over $500, but less than $5,000. Other items with a unit value under $500 are also tracked and tagged such as: Mobile Devices, and other items that may have a personal use. These assets are tracked and recorded on the district's inventory tracking system. Inventory items that are stolen, obsolete, damaged beyond repair, etc. should be reported to the Purchasing Department for instructions of the removal from the district's inventory tracking system. Inventory items are tracked for insurance purposes. Inventory items (with a unit value between $500 and $5,000) must be purchased through the use of an Object Code 6396 or 6399. Inventory items (with a unit value less than $500) must be purchased through the use of an Object Code 6399.

Other "walkable" items with a unit value under $500 shall be tracked and tagged for inventory purposes. These items may include: iPads, Nook/Kindle, tablet computers, and other items that may have a personal use. These inventory items (with a unit value less than $500) must be purchased through the use of an Object Code 6396. The appropriate campus or department, such as Technology, Maintenance, Food Service, or Transportation shall track these items for control purposes.

The Hayes System (TIPWebIT) should be utilized to transfer equipment from one room to another, one campus/dept. to another, or to transfer obsolete equipment to the Old B.C. The loss or theft of inventory and fixed asset items should be reported immediately to their immediate supervisor then to technology and police department.

All staff will be provided an inventory list for their respective classroom, office, or work area at the beginning of the school year. After verifying the list, each employee shall return the verified list to his/her immediate supervisor.

At the end of the school year, the same process will occur. The end-of-the-year list should include all items that were assigned at the beginning of the year, plus any items purchased throughout the school year. Staff will not be released for the summer until their inventory list has been verified and submitted to the immediate supervisor. Missing items, if any, must be indicated on the inventory list. In addition, an explanation regarding why the item(s) is missing shall also be submitted with the list.

Items lost due to theft or vandalism must be reported immediately for police report and insurance claim purposes.

Fixed assets may be disposed of an annual basis after determination that the assets are obsolete or surplus (have no useful value to the district). The Superintendent shall approve the disposal of all assets, including the method of disposal, i.e. auction, garage sale, etc. **No employee shall remove surplus or obsolete assets for personal use. Removal of assets or inventory without written authorization shall constitute theft of property. The employee shall be subject to disciplinary action, up to and including termination of employment**. If an asset purchased with a federal grant is scheduled for disposal, the federal grant process shall be coordinator with the Grants Manager. Most federal grants contain specific disposal requirements of assets at the end of a grant period.

A **District form through the Hayes System (TIPWebIT) will** be used to assign district property, such as cell phones, cameras, PDAs, laptops, etc. to district staff for business purposes. The receiver should read the form carefully due to the potential tax and financial impact of using the assigned property for personal benefit.

Gift Cards

District funds shall not be used to purchase gift cards. Gift cards shall not be issued to staff without prior approval from the Chief Financial Officer.

Gift cards donated to the district by outside sources may be given to employees as a reward or incentive. Gift cards, in any amount, are taxable to the employee and must be processed through the employee's paycheck [IRS Regulations]. The value of the gift card exceeding $25 may be taxed by the Payroll Department on the employee's next paycheck.

Grants Management

All state and federal grants shall be managed in accordance with the **EDGAR Policies and Procedures Manual**.

All federal grants expenditures shall comply with the federal regulations, i.e. EDGAR or 2 CFR 200. TEA-administered grants shall also meet the Grant Management guidelines established by TEA. Specifically, grant fund expenditures must meet the following guidelines:

- Reasonable and necessary
- Conform to limitations or exclusions and be allocable to the federal grant
- Be consistent with policies and procedures of the district regarding types or amount of cost items
- Be accorded consistent treatment with district's expenditures with non-federal grant funds
- Be determined in accordance with generally accepted accounting principles
- Not included as part of a cost sharing or matching requirement of another federally funded grant program
- Be adequately documented.

The Grants Manager shall be directly responsible for the management of all state and federal grants. The principal/director shall review all grant purchases and expenditures and seek guidance from the Grant Manager for clarification related to grant restrictions, as appropriate.

On an annual basis, all staff paid from federal grant funds shall sign a job description each school year. The job description must include the source of funds, job duties related to the federal grant program, and a statement regarding Executive Order 13513 which prohibits texting while driving a district owned vehicle or a personal vehicle on grant-related business. The Intent and Purpose as stated in the federal grant program guidelines of each grant may be used to determine the specific job duties of federally-funded positions.

All non-state or non-federal grant applications shall be submitted to the Grants Manager and principal/director for review and approval prior to submission. This requirement includes all grant applications to merchants, foundations, etc. The Superintendent shall approve all grant applications.

All grant funds will be budgeted, expensed and monitored through the district's finance system. All grant reimbursement requests shall be prepared and submitted by the business office after collaborating with the appropriate Grant Manager.

Budget changes and/or amendment requests may require approval from the granting agency and/or pass-through entity. The Grant Manager shall review and approve all budget amendments related to federal grant funds in accordance with the requirements in TEA document "When to Amend the Application."

Hotel Occupancy Tax Exemption Form

This form shall be used for school-related travel to conferences, workshops, etc. Copies may be obtained from the business office or via the web at the link below. Lodging taxes, which should have been exempt, will be unauthorized for reimbursement if the traveler fails to present the certificate to the hotel. The traveler will be held responsible for such charges, if any.

The **Hotel Occupancy Tax Exemption Form** applies only to lodging in the state of Texas.

Incentives & Awards

Incentives and awards issued to district staff and students shall comply with the **Incentive and Awards Procedures.** At no time shall an incentive or award appear to be a "gift of public funds". All incentives and awards shall serve a public purpose.

Invoices

Vendors are required to submit all invoices to the business office, yet occasionally an invoice will be mailed directly to a campus or department. If any invoices are received at the campus or department, they should be signed (if the goods/services were received) and forwarded to the business office. See **Accounts Payable Procedure Manual**.

Texas law requires that all invoices be paid to vendors within 30 days of receipt of the goods/services. If the district fails to pay promptly, the vendor can assess penalty interest charges. If a staff member neglects to submit an invoice on a timely basis, he/she may be held personally liable for the penalty interest charges.

The business office issues invoices for reimbursement requests from outside entities as needed. All requests for reimbursements shall be submitted by the requestor to the business office department with the supporting documentation. The invoices will be posted as a receivable and tracked so that funds are collected on a timely basis.

Petty Cash Account

Each campus cafeteria, athletics office, and business office is authorized to manage a petty cash account. The campus petty cash checks shall be issued to the appropriate campus or department administrator. Petty cash accounts are provided for the purpose of having change for sales. The petty cash account maximum shall be set by the Chief Financial Officer.

The principal or department administrator shall be responsible to ensure that funds exist in the account(s), which will be utilized to use as change.

At the beginning of each school year, the business office will prepare a petty cash check for each authorized campus or department. At the end of each school year, the campus and Food Service Department petty cash accounts shall be closed until the beginning of the upcoming school year.

Purchasing Deadlines

In an effort to maximize the use of budgeted funds during the current fiscal year, the purchasing deadline for **supplies and equipment** shall be in mid-April. Summer needs for staff development and summer school should be anticipated and ordered prior to the deadline. Purchasing documents for **services and travel** should be submitted by June 1st. At times, the purchasing deadlines for state or federal grants may be earlier than the deadlines stated above due to grant ending dates.

The purchasing deadline for a federal grant that is nearing the termination of the grant shall be at least 90 days prior to the end of the grant period to ensure that there are no residual supplies at the end of the grant period. If residual supplies in excess of a $5,000 aggregate value, the granting agency and/or pass-through entity must be notified to obtain disposition approval and instructions.

Purchase of Food and Non-Food Items

Food and non-food items (such as paper plates, cups, silverware, etc) shall be for instructional purposes (Food Science & Nutrition, science projects, etc), for meetings/training sessions, or other approved functions. These food and non-food items may not be consumed or used for personal use. Excess

prepared food items may be consumed or disposed of as appropriate. Food purchases for the Child Nutrition Program shall be subject to the U.S. Department of Agriculture guidelines.

Generally, snacks, food, and non-food supplies for staff development purposes shall be charged to function 13. Use of district funds for food or snacks shall be allowed only during a "working lunch". Documentation to support the "working lunch" shall include a meeting agenda with the inclusion of a "working lunch" and a sign-in sheet.

When food and non-food items are utilized for faculty, site-based meetings, etc., the expense shall be code to 6499 for food and non-food items.

The purchase of refreshments and snacks are strictly prohibited with state and federal grants. See **EDGAR Policies and Procedures Manual**.

Purchase Requisition and Order Forms

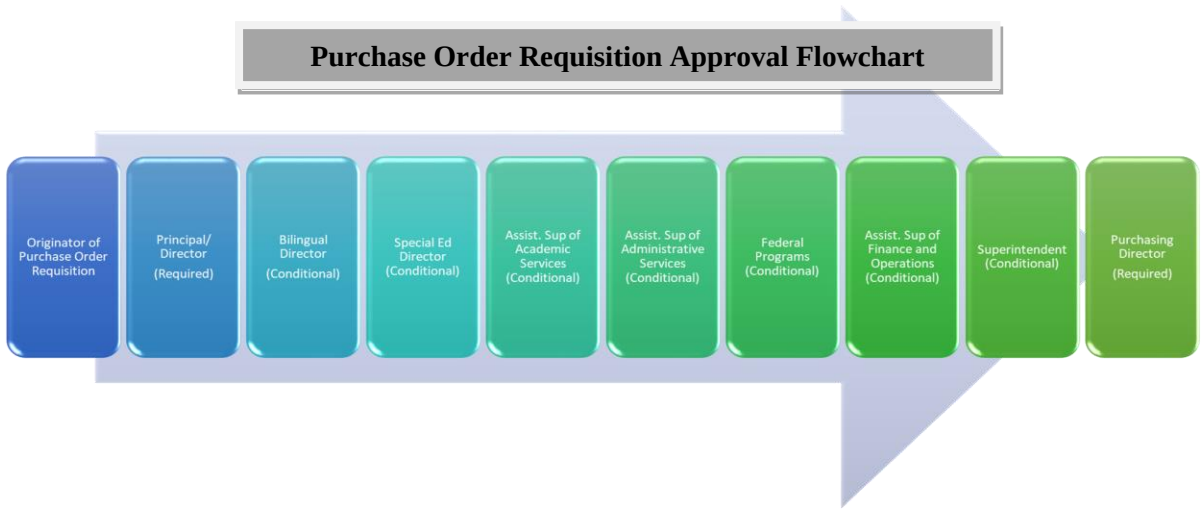
All purchases of goods and services shall be in accordance with the **Purchasing Procedures**. The procedures contain guidance related to the competitive procurement requirements in federal regulations (2 CFR 200 – EDGAR), state laws/rules and local board policy.

A purchase order form is used to purchase supplies, equipment, or services from an external vendor. Requisition forms should be created in the Online Requisition System by the requesting campus or department and submitted to the business office for approval of a purchase order. The electronic system allows users to enter purchase requests electronically, verify account balances, select pre-approved vendors, etc. at the point of data entry. Budget codes must be noted on all requisitions. If adequate funds do not exist in the appropriate account, the originator shall submit and receive approval of a budget change or amendment. A campus or department may use a **Purchasing Requisition form** on the online financial system to collect requested orders from stakeholders.

The Financial Accounting & Reporting Module of the Financial Accountability System Resource Guide (FASRG) contains the required accounting code structure. Use of the appropriate accounting code structure is mandatory. The code structure is available on the TEA website at www.tea.texas.gov.

After the requisitions pass all electronic approval paths, the purchase order form is automatically numbered for audit tracking purposes. **No employee shall order or receive goods without an approved purchase order.** A system requisition cannot be used to place an order. All purchase orders are mailed, emailed or faxed to vendors by the requestor. According to Board Policy CH (Local), employees who violate the district purchasing procedures shall be held personally liable for the debt incurred.

The **Purchase Order Requisition Approval Flowchart** shall be utilized for all district purchase orders.



Purchasing Laws

All purchases of goods and services shall be in accordance with the **Purchasing Procedures**. The procedures contain guidance related to the competitive procurement requirements in federal regulations (2 CFR 200 – EDGAR), state laws/rules and local board policy. When a conflict arises between federal regulations, state law and local policy, the strictest rules shall apply.

Federal Regulations

The **Purchasing Procedures** contain guidance related to the competitive procurement requirements in federal regulations (2 CFR 200 – EDGAR), state laws/rules and local board policy. The chart below depicts the purchasing thresholds for purchases with federal grant funds.

State Law

All school district contracts for the purchase of goods and services, except contracts for the purchase of produce or vehicle fuel, valued at $50,000 or more in the aggregate for each 12-month period shall be made by the method that provides the best value for the district in accordance with the Texas Education Code (TEC 44.031). According to Board Policy CH Local, any single, budgeted purchase of goods or services that costs $50,000 or more, regardless of whether the goods or services are competitively purchased, shall require Board approval before a transaction may take place. All purchases, which may exceed these limits, should be brought to the attention of the business office well in advance of the need for the goods or services. The bidding process may take approximately 2 to 3 months, from bid specification development to School Board approval. Since non-compliance may result in criminal penalties, this requirement will be strictly enforced.

Exceptions to the procurement methods described in TEC 44.031, include the following:

School Bus

The purchase or lease of one or more school buses, including a lease with an option to purchase, must be submitted to competitive bidding or utilize a purchasing cooperative when the contract is valued at $50,000 or more.

Professional Services

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

Construction

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

Change Orders

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

Change orders that exceed 25% of the original contracted amount of less than $1 million will require the district to apply competitive procurement processes in accordance with Chapter 44 of the Texas Education Code and/or Chapter 2269 of the Government Code. This requirement applies to contracts when

"a change order for a contract with an original contract price of less than $1 million increases the contract amount to $999,999.

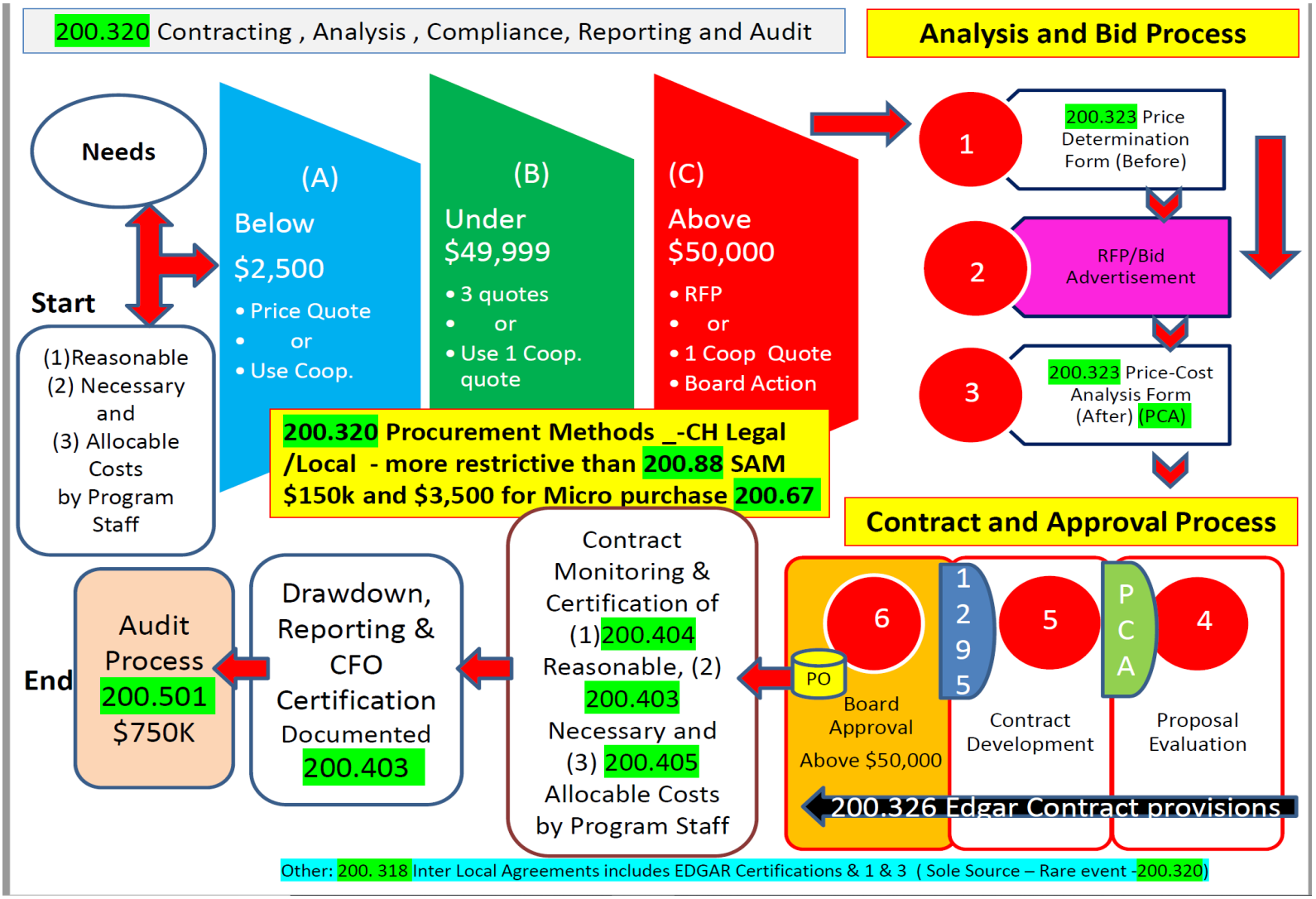
Change orders that exceed 25% on original contracted amount of less than $1 million will require the district to apply competitive procurement processes in accordance with Chapter 44 of the Texas Education Code and/or Chapter 2269 of the Government Code. This requirement applies to contracts when "a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

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

Although state law related to quotes was repealed, the district may solicit quotes for purchases when advantageous to the district to obtain the best price.

Competitive Procurement Flowchart

The **San Benito CISD Purchasing Levels and Requirements Flowchart** shall be used to determine whether competitive procurement is required for a federal, state or locally funded purchase.



Receiving of Goods

The district utilizes a decentralized receiving system – all goods are delivered to the originator's location with the exception of technology items. A copy of every purchase order for goods (supplies/equipment) will be forwarded to the originator. Upon receipt of the goods, the originator shall count all items and submit a receiving copy and invoices, if any. The originator must notify the Purchasing Director of all items that require an inventory or fixed asset tag according to the district's fixed asset procedures. Discrepancies, if any, should be reported to accounts payable. Upon receipt of the receiving report and the invoice, the accounts payable department shall prepare and distribute the payment to the vendor. Staff members that receive authorization to pick-up goods directly from a vendor shall submit written confirmation of receipt to accounts payable via receipt.

At times, goods may be shipped to the PRIM warehouse due to the size/weight of the goods. In the event that goods are delivered to the warehouse, the PRIM personnel shall sign for the goods and notify the requestor by providing a copy of the receiving report. The purchasing director shall make arrangements for delivery of the goods to the appropriate campus or department. At no time, shall goods remain at the warehouse for more than 5 business days unless the goods require assembly. Upon completion of the assembly of goods, the purchasing director shall ensure prompt delivery to appropriate campus or department.

The requestor of the goods shall resolve all receiving discrepancies such as damaged goods, shortage of goods, etc. directly with the vendor. The requestor of the goods shall be notified if any goods are returned to a vendor for exchange or credit.

The all campuses and departments shall work collaboratively with the Business Office to review Aged Purchase Orders (30+ days) on at least a monthly basis.

Rental of facilities

The business office shall coordinate the rental of district and campus facilities with the exception of athletic facilities, which are coordinated in their office and approved by the Superintendent. All cleaning fees shall be deposited to the district's miscellaneous revenue account. Refunds, if any shall be processed for payment through the district's finance system.

District employees assigned to work in support of a rental agreement must be paid through the payroll department. The fees charged to the renter will be noted on the rental agreement. The renter shall not be allowed to pay district employees directly with cash, check, or other method.

A **Facility Rental Agreement** is required for all rentals of facilities by outside organizations in accordance with GKD(Local).

Returned Checks

All makers of returned checks will be charged a $30 fee in accordance with Local Govt. Code 118.011. The district shall reserve the right to reject future checks from makers of returned checks.

Upon receipt of returned checks, the accountant shall adjust the cash balance of the appropriate account(s). In addition, the maker of the check shall be notified to make payment, including the fee, to the district within 14 days. Acceptable forms of payment are cash, money order, and cashiers check.

If the maker fails to make payment within the 14 day period, the maker will be referred to the accountant for initiation of collection and/or legal processes.

Sale of Personal Property – Surplus

All supplies and equipment which are deemed to be surplus [not of any use to the district], will be recommended to the Superintendent as per Board Policy CI (Local) for sale via a Surplus Sale. At least one surplus sale will be scheduled per year.

Surplus sales shall be advertised in the local newspaper. Items sold via marked pricing, sealed bids, auction, or other acceptable method that results in the best return for the district.

Neither district supplies, nor equipment, shall be sold or conveyed other than via a surplus sale, unless authorized by the Superintendent and/or School Board, as applicable.

Additional information is available under the Fixed Assets topic.

Sales Tax Exemption Form

The **Sales Tax Exemption form** shall be used for school-related purchases only. Misuse of the exemption form for personal purchases constitutes a misdemeanor.

Copies of the exemption form may be obtained from the business office. Each purchaser shall be responsible to complete, obtain signature and present the form to the vendor.

Taxes, which should have been exempt, will be unauthorized for reimbursement if the exemption form is not presented to the vendor at the time of the purchase. The purchaser shall reimburse the sales tax immediately upon submission of the sales receipt. The campus secretary/bookkeeper shall issue a receipt for the sales tax and forward the funds to the business office for deposit to the account(s) used for the purchase.

Purchase of personal items for staff or students are <u>not</u> eligible for the sales tax exemption.

Travel Expense – Advances & Settlements

All travel expenses shall be in accordance with the **Travel Guidelines**. All travel requests shall be submitted at least 2 weeks prior to the travel event (meeting, conference, workshop, athletic event, etc). The travel request will be forwarded to the appropriate administrator for approval. The final approval will rest with the appropriate Chief Officer. After the final approval, the **Travel Authorization/Settlement Form** and requisition shall be submitted for approval by the immediate supervisor.

The TEA Travel Guidelines for state and federal funds shall be utilized to ensure that the locally funded maximum travel expenditures are not exceeded. The guidelines may be found at the TEA website: http://ritter.tea.state.tx.us/taa/plangraneval013111.html. Travel expenses paid with state or federal grants shall not exceed the maximums allowable by TEA. The excess travel expenditures beyond the allowable amounts, if any, must be paid from local funds.

The Federal Programs Director shall review all grant travel expenditures and seek guidance from the Grant Manager for clarification related to grant restrictions, as appropriate.

Student Travel
Employee Travel
Federal Travel

Vendors

The addition, deletion and update of vendors shall be in accordance with the **Guideline for Vendors** which can be found under Purchasing Department. The district shall ensure that all vendors are capable of provided the intended goods or services.

Purchases from vendors that operate on a cash basis (do not accept purchase orders) will <u>not</u> be allowed. The district participates in several cooperative purchasing programs. A list of these programs is available from the Purchasing Department. Priority should be given to these vendors since the goods and/or services have been subjected to the rigor of a competitive bid process.

Requests to add new vendors shall be accompanied by the Vendor Application Packet. The packed includes a **Vendor Application**, **Form W-9**, **Felony Conviction** and **Conflict of Interest Questionnaire (CIQ**).

As a matter of law, all existing and new vendors shall be required to complete and file a CIQ with the business office. The governing body (School Board) and the Superintendent shall complete and file **Local Government Officer Conflicts Disclosure Statement (CIS)** with the business office.

Payments to vendors shall be made promptly in accordance with federal regulations and state law. Specifically, in accordance with the Texas Prompt Payment Act, the district shall pay all invoices within 30 days of receipt of the goods/services and the invoice, whichever is later.

All district employees are prohibited from soliciting gifts or tokens from vendors or other parties who are affected by (or have an interest in) a federal grant award.

In addition, all district employees are prohibited from accepting unsolicited gifts or tokens from vendors or other parties who are affected by (or have an interest in) a federal grant award that exceed an nominal (individual) value of $25 in a fiscal year. The unsolicited gifts or tokens may not include the following:

- Items prohibited at a public elementary and secondary schools such as drugs, tobacco or alcohol products
- Other _____

The addition, deletion and update of vendors shall be in accordance with the **Guideline for Vendors** which can be found under Purchasing Department. The district shall ensure that all vendors are capable of provided the intended goods or services.

Eminent Domain Authority

Business office will submit to the State of Texas, the Eminent Domain Authority on a yearly basis.

Non-Compliance Form

Unauthorized/Non-Compliant purchases are purchase transactions that are either entered into by an individual who is not authorized to contract/request services on behalf of San Benito CISD or who uses an unauthorized procurement method or exceeds his/her delegated authority. According to district Policy CH(Local) Responsibility for Debts - "The Board shall assume responsibility for debts incurred in the name of the District so long as those debts are for purchases made in accordance with the adopted budget, state law, Board policy, and the District's purchasing procedures (see CE). The Board shall not be responsible for debts incurred by persons or organizations not directly under Board control. Persons making unauthorized purchases shall assume full responsibility for all such debts." All purchase order forms must comply with board policy CH(Local) which states non-compliance form will be required for all purchasing done out of purchasing procedures.

Anyone no in compliance with CH(Local) must fill out a Non-Compliance Form and submit to the Business Office after obtaining all required signatures in order for payment to be completed.