Kilgore Independent School District

Fiscal Manual

(General Fiscal Guide for District Staff)

Updated July 2025

Table of Contents

Contents

Introduction **3**
Business Office Staff **3**
Business Office Mission Statement **3**
Accounting - Required Code Structure **3**
Activity Funds **4**
Budget Amendments **4**
Budget Transfers **5**
Check Processing **5**
Copiers **6**
Donations and Gifts **6**
Field Trips **6**
Financial Transparency **7**
Fiscal Year **7**
Fixed Assets & Inventory **7**
Gift Cards **8**
Grants Management **8**
Hotel Occupancy Tax Exemption Form **8**
Invoices **8**
Online Purchasing **9**
Payroll Procedures **9**
Petty Cash Account **12**
Purchasing **12**
Vendor List **14**
Contracts- Consultants/Other Services **14**
Purchase Requisition & Order Forms **16**
Receiving of Goods **16**
Purchase of Food and Non-Food Items **17**
Purchasing Card – JP Morgan Chase **17**
Credit Cards – Selected Merchants **18**
Rental of Facilities **18**
Returned Checks **19**
Sale of Personal Property – Surplus **19**
Sales Tax Exemption Form **19**
Travel Expense – Advances & Settlements **20**
Vendors **21**

Introduction

This Fiscal Manual has been prepared to provide general information about several Kilgore ISD business functions. Additional information may be available within the district's Board Policies, Administrative Procedures, or other web 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:

Business Office Phone Number 903-988-3900
Trish Hall, Chief Financial Officer, ext. 2013, thall@kisd.org
Melody Richers, Coordinator of Business Services, ext. 2018, mrichers@kisd.org
Leslie White, Payroll Supervisor, ext. 2011, lwhite@kisd.org
Squelia Williams, Accounts Payable, ext. 2021, swilliams@kisd.org
Stephanie Martin, Payroll Support Specialist, ext. 2020, smartin@kisd.org
Stacey Hudman, Administrative Assistant, ext. 2002, shudman@kisd.org
Melissa Brown, TSDS Coordinator, ext. 2027, melbrown@kisd.org

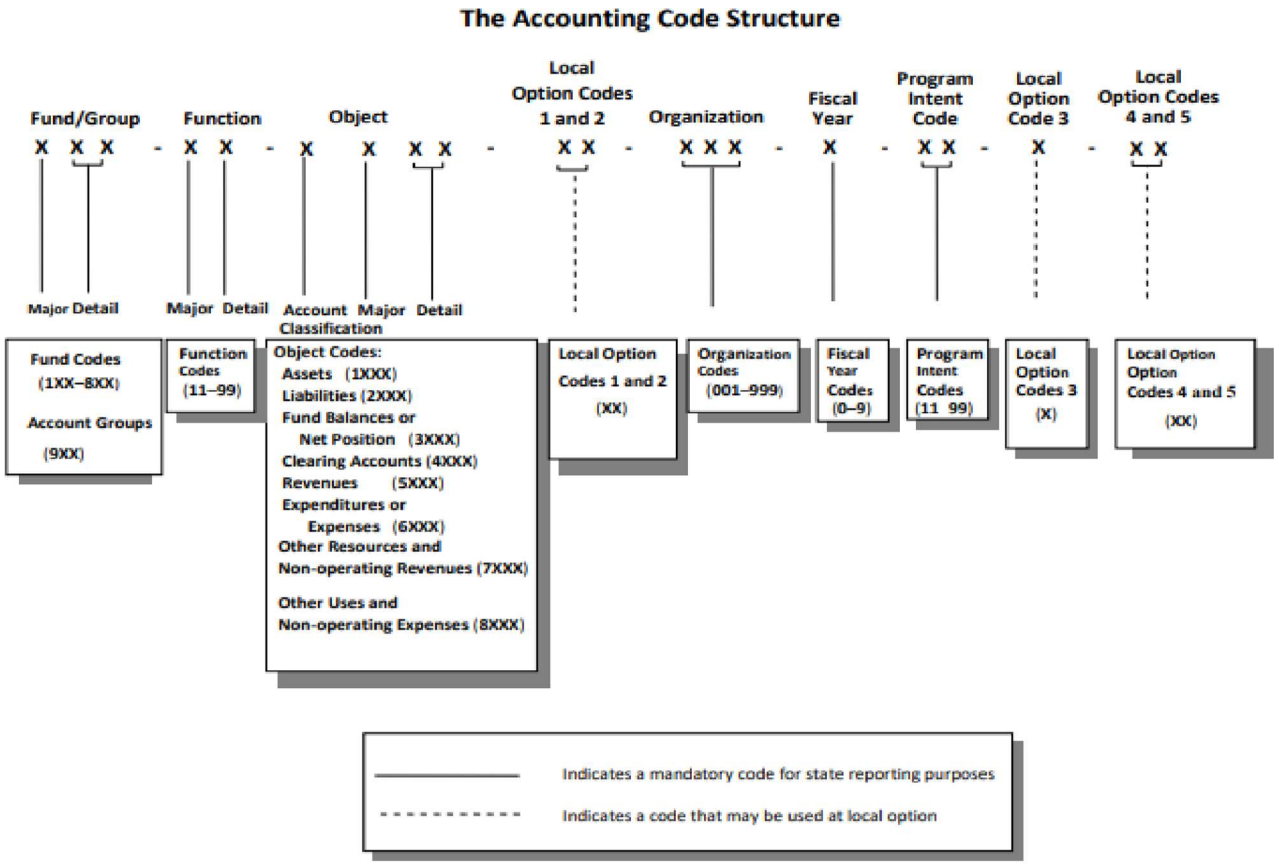
Business Office Mission Statement

The mission of the Kilgore Independent School District Business Office is to provide accurate and consistent information and support to students, employees, and KISD taxpayers while complying with all state and federal mandates.

Accounting - Required Code Structure

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

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.



Activity Funds

All policies and procedures related to Activity Funds can be found in the KISD Activity Fund manual.

Budget Amendments

A budget amendment is a transfer of funds across different functions. For example, a budget amendment would result if instructional funds (function 11) were requested to be transferred to the library (function 12). Budget amendments greater than $10,000 must be submitted to the Board for approval. (This includes multiple moves within a short period.) Orders will not be placed until after a funded approved purchase order is received 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 amendments of $10,000 or less should follow the budget transfer procedure.

Each year following approval of the annual budget, the board of trustees approves a resolution approving budget amendments with a value of $10,000 or less without board approval on an individual basis. District business office staff is required to make sure the District does not violate

budgeting guidelines by over expending a single function by the approval of these amendments $10,000 or under.

Budget Transfers

A budget transfer is a transfer of funds which is not across different functions. The Coordinator of Business Services shall approve all budget transfers. Transfer requests must be submitted through the Skyward financial system. Budget transfer line items must 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 Grants Manager to ensure that a grant amendment is filed with the granting agency.

Cash/Check Handling

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 to or exceed $20.00. A Collections Log shall be generated for non-receipted cash collections and submitted with the cash deposit to the campus secretary/bookkeeper.

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 and deposit all monies on a daily basis to the district's depository bank, or secure overnight, no more than one or two days, in a locked campus safe if the deposit cannot be made the same day.

Personal 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. All monies collected must be deposited in the same form in which they were received.

Checks over $10,000 require TWO signatures, please contact CFO for assistance.

Check Processing

District accounts payable checks will generally be printed and released as needed one or two times each week. Campus and department staff are responsible for submitting this information to the Accounts Payable Office in a timely manner in order to prevent processing delays.

The Business Office shall determine the date on which vendors will be paid; employees should not make any prior commitments to vendors about the timing of check disbursements. Before a check is disbursed to a vendor, the employee originating the requisition must return a copy of the purchase order with an approval signature indicating that all items were received and the invoice is approved for payment. In the case of an open or blanket purchase order, the originator should keep the master copy of the purchase order until the last item has been received and the final payment is to be issued.

All payments must be pre-approved either by an approved purchase order in Skyward. Appropriate approval signatures and budget account codes are required prior to processing a check. Paperwork and invoices should be submitted at least two weeks in advance to ensure the timely receipt of payment. When payments are needed prior to the next check run date, paperwork should be hand-delivered to the accounts payable office.

State law requires that the District pay all invoices within 45 days to avoid penalty and interest charges. To avoid such charges, all invoices must be submitted on a timely basis to the Accounts Payable office.

Copiers

The district owns several copiers that are strategically placed in different campuses or departments. The copiers are for district business use only. All copies will be charged to the department/campus according to the employee's job duties.

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. 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. Notification should be sent to the CFO.

Donated equipment shall have an inventory tag affixed to it if the unit value is greater than 10,000. In addition, the equipment shall be added to the district fixed asset tracking system.

Field Trips

All field trip requests shall be submitted in Eduphoria at least 2 weeks prior to a field trip. The field trip request will be forwarded to the appropriate administrator for approval. The final approval will rest with the Superintendent designee, currently the campus principal or

department director. A purchase order or Request for Payment, as applicable, shall be submitted for admission fees, meals, etc. if any.

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

Financial Transparency

The District's intent is to be transparent with regard to financial information. KISD maintains a Financial Transparency webpage that is in compliance with all known rules and regulations. Data for the page is updated regularly. The KISD Financial Transparency page can be found under the "About" menu at https://www.kisd.org/our-district/district-departments/business-office

Fiscal Year

The fiscal year begins on September 1st and ends on August 31st. All goods and/or services received, or travel occurring during these dates must be paid from current fiscal year funds.

All invoices for goods received before August 31st, shall be submitted to the Business Office by September 15th for processing and payment. Any invoice received after this date will be charged to the subsequent year budget unless doing so would produce a material change to either year's financial results.

Fixed Assets & Inventory

In accordance with CBF(LOCAL), Kilgore ISD's fixed asset policy is $2,000 per unit cost for group asset purchases of $150,000 or greater, or $10,000 per unit cost for all other purchases. 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 Coordinator of Business Services for removal from the district's financial records. All fixed assets must be purchased through the use of an Object Code 66XX.

Fixed assets will be disposed of on at least an annual basis after a 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. If an asset purchased with a federal grant is scheduled for disposal, the federal grant process shall be coordinated with the Grants Manager.

Gift Cards

District funds used to purchase gift cards shall be approved in advance by the Superintendent. Gift cards shall not be purchased with the intention of using them to make a subsequent purchase of goods.

Grants Management

All state and federal grants shall be managed by the district employees listed in the KISD State and Federal Grants Manual. TEA-managed grants shall meet the Grant Management guidelines established by TEA. Specifically, grant fund expenditures must meet the following guidelines: Reasonable and necessary

- Supplemental to state and local funds
- Strategies identified in the District Improvement or Campus Improvement Plans
- Supported by original source documentation (invoices, receipts, etc.)
- Comply with Federal Cost Principles (Allowable expenditures)

The Grant Manager of each grant program shall approve all expenditures with respective grant funds.

Additional guidance relating to grants management may be found in the District's State & Federal Grants Manual.

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, the KISD website or from the Texas Comptroller of Public Accounts website. State hotel occupancy taxes in the state of Texas, 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.

Invoices

Vendors are required to submit all invoices to the Business Office. Any invoice received by a campus or department shall be signed (indicating receipt of the goods/services and authorization of payment) and immediately forwarded to the Business Office. Vendors may also e-mail invoices to invoices@kisd.org.

Texas law requires that all invoices be paid within 45 days of receipt of the goods/services OR receipt of the invoice, whichever is later. If the District fails to pay promptly, the vendor may assess penalty and interest charges at the rate allowed by law. If a staff member neglects to submit

an invoice on a timely basis, he/she may be held personally liable for any penalty or interest charges.

Online Purchasing

Online purchasing is restricted to approved vendors in cases where a purchase order has been pre-approved and the purchase order number can be entered online as a form of payment. There are a growing number of vendors that have partnered with our financial software, Skyward, that allow you to shop on their site and have details downloaded into Skyward as a part of the purchase order approval process. (E-Commerce Vendors) Vendors which require a credit card for payment may only be used in specific circumstances. These purchases require a Request to Use District Credit Card form approved **in advance**.

Regardless of the payment method, all online purchases must follow the same approval process as any other purchase. No orders should be placed until all required approvals have been obtained.

Payroll Procedures

Employees are paid in accordance with administrative guidelines and an established pay structure. All District pay scales are reviewed by administration each year and adjustments are recommended to the board as determined necessary. Pay scales are presented to the Board of Trustees during the budget process and approved as part of that process.

All district positions are classified as exempt or nonexempt according to federal law. Professional employees and administrators are generally classified as exempt and are paid monthly salaries. They are not entitled to overtime compensation. Other employees are generally classified as nonexempt and are paid an hourly wage or salary and receive compensatory time or overtime pay for each hour worked beyond their scheduled workweek.

Base salaries for all employees, other than substitutes, are annualized. Adjustments for additional earnings, overages and shortages, and any other supplemental earnings or dock are added or deducted from this base pay the month following the occurrence. Annualized Pay is determined by multiplying together the following factors dependent upon the type of position and then dividing the result by twelve: Number of Scheduled work days, Daily Pay Rate (Exempt), Number of hours scheduled to work in a day, Hourly Pay Rate (Non-Exempt Employees)

All employees will receive notice of their pay (accessible in Skyward, under Employee Access) and work schedules each year as early as possible dependent upon board approval of pay scales. All salary and benefit changes that result in an employee's total compensation being less than that paid in the prior year will be communicated to the employee prior to 90 days before the start of their contract. Notification is normally done by an e-mail notification to employees.

Employees with no e-mail or Skyward access, cafeteria, custodial and maintenance employees, are given their salary information in the form of a letter. Classroom teachers, full-time librarians, full-time nurses, and full-time counselors will be paid no less than the minimum state salary schedule. Contract employees who perform extracurricular or supplemental duties may be paid a stipend in addition to their salary according to the district's extra-duty pay schedule.

The Skyward Salary Negotiation Program is used to calculate salaries for all employees and produce information needed for the annual budget. New employees are processed by the Human resources department as well as any needed change to an existing employee's assignments. Each of these events is captured by the H.R. department in the Eduphoria system and presented for appropriate approval as follows: Superintendent Approval for non-professional positions and Board of Trustee Approval for Professional positions. Once approved, the Eduphoria forms are forwarded to all District interested parties, and information is recorded in Skyward. Employee information is then populated into the Skyward System by the H.R. Specialist and appropriate salary data is placed in the system by the Chief Financial Officer. Questions concerning pay should be directed to the Director of Human Resources.

Every non-exempt employee shall "clock in" and "clock out" daily through the Skyward True Time Timekeeping System. Failure to clock in or out may result in non-payment of unverified work time. At the end of an employee's work week, they must review and submit their time as accurate in the Skyward True Time Timekeeping System. All administrative supervisors shall review and indicate their approval of their employees using the automated approval process in the Skyward True Time Timekeeping System. This approval submits the time to the payroll department for processing. Supporting documentation for ALL corrections to "punch times" in the Skyward True Time system shall be maintained to show an employee's knowledge and approval of such time adjustments. These documents must be maintained and submitted to the business office for audit and filing at the end of each school year. This same process is used for exempt employees that have previously retired from TRS and are working part-time for Kilgore Independent School District as a way for the district to prove time worked to TRS.

All overtime will be paid as part of the normal payroll process in the month following the time being worked, with the exception of employees in positions as defined following. Employees should secure approval from Administrative Supervisors prior to earning any overtime. An employee who repeatedly works in excess of his/her assigned work schedule, without authorization, will be subject to disciplinary action, including termination. Administrative Supervisors should strive to minimize any such overtime and will be evaluated annually on their success with this goal. The following positions will earn comp time in lieu of paid time: Campus Secretaries and Campus PEIMS Clerks (others as determined necessary). These employees and their supervisors should strive to zero these balances out by the end of their work calendar. Any balance remaining in their comp time will be paid to the employee at the end of their yearly contract.

All professional employees shall enter time-off requests either into Skyward Employee Access or the AESOP substitute system, as applicable, when requesting time off from work (whether a substitute is required or not) to ensure that the time off is recorded in the employee's leave record

and that the substitute who filled the absence (if applicable) is compensated correctly. Anyone found not entering their time off shall be subject to disciplinary action. Principals and directors should approve time-off requests daily in order to maintain accurate balances in Skyward. Secretaries and Human Resource Leave Specialist reconcile substitutes to time-off in AESOP, ensuring that substitutes have been entered and leave has been correctly applied. Additionally, every campus/department shall submit an electronically approved time off request to the Human Resource Department Leave Specialist by Friday noon or prior to payroll processing for the current month. The Leave Specialist will review and reconcile all employee absences. The Leave Specialist will contact the appropriate supervisor or department for correction. Questions concerning leave should be directed to the Leave Specialist in the H.R. Department.

When at all possible the Skyward True Time system is used to record time for supplemental duties. Additional pay codes are added to employees' available codes in the timekeeping system to select from when working on supplemental duty. Supplemental pay codes are only added to employees' records when determined necessary. Employees should only have approved and applicable pay codes to choose from when determining which job they are working in. The time for these supplemental duties follows the same approval process as non-exempt employee time discussed prior. Time for certain supplemental work, such as game workers, is submitted on paper time cards as neither time clocks nor computers are available at these locations. In such cases, the time cards are to be collected by the duty supervisor, signed, and submitted to the payroll department on a monthly basis.

All staff paid from federal grant funds shall comply with the Time & Effort Certification Requirements. The Time & Effort Certification Form shall be completed on a semi-annual basis. Immediate supervisors shall review the time and salaries paid each month. These certifications are managed by the Federal Programs office. Additionally, the Grant Manager receives payroll reports each month showing all wages earned by employees paid with federal grant funds. These reports are generated following payroll each month by the Coordinator of Business Services. Grant Managers shall review this report and research any earnings paid with funds other than the federal grant. Kilgore ISD's practice is to limit other earnings for employees whose salaries are paid with federal funds. Both the immediate supervisor and grant manager should be in monthly contact concerning any variance from federally funded employees 100% work effort toward the federal fund. These variances should be noted on the Time and Effort Certification Form and any issues requiring payroll adjustment should be communicated to the Chief Financial Officer promptly.

Employees are paid once per month on the 25th of each month unless the 25th falls on a weekend or other school holiday. A listing of each payday for the year is maintained on the Districts website**.** Employees are encouraged to have their pay electronically deposited into a designated bank account of their choice. Direct deposit notices are available through Employee Access. Employees must contact the Human Resources Department to set up a direct deposit. Payroll must be completed in sufficient time to meet the ACH requirements to have the deposit made in these accounts by the stated payday, normally 3 workdays in advance of payday.

Checks for employees not choosing direct deposit are handled as follows. During the school year, paychecks are delivered to their post of duty and hand-delivered by the campus or department secretary. Checks for substitutes are handed out at the front desk of the administration building with employees signing for their checks. Paychecks will not be released to any person other than the district employee named on the check without the employee's written authorization. During summer breaks, paychecks are handed out at the administration office front desk between the hours of 9:00AM and 4:00PM. Checks remaining at the end of the day are mailed to the employee's current address on file. In certain unusual circumstances, due to safety or health reasons, KISD reserves the right to place all paper checks in US mail. Employees are responsible for contacting the Human Resources Department to keep their address on record updated. An employee's payroll statement contains detailed information including deductions, withholding information and benefits paid by the district for each employee.

Petty Cash Account

Petty cash funds only exist as change draws at each campus cafeteria and in the offices of the Administrative Assistant to the Superintendent and Coordinator of Business Services at the Administration Building.

Purchasing

The District strives to maintain compliance with all state and federally mandated purchasing requirements in order to secure the best products for the lowest price in the most efficient manner. District purchasing policies are found in Section C of the KISD Board Policy. Following is a brief overview of KISD purchasing practices. More details can be located on a separate KISD Purchasing Manual.

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 determined on an annual basis, but will normally fall three to four weeks prior to the last day of teacher contracts. Summer needs for staff development and summer school should be anticipated and ordered prior to this deadline. Purchasing documents for **services and travel** occurring during summer months should be submitted by August 1st. Emergency purchases outside of these deadlines will need special approval from the CFO. At times, the purchasing deadlines for state or federal grants may vary from the deadlines stated above.

Purchasing Laws / Competitive Bidding Requirements

All District contracts for the purchase of goods or services, except contracts for the purchase of produce or vehicle fuel, valued at $100,000 or more **in the aggregate** (i.e. for the entire District) 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 Non-compliance with these statutes could result in criminal penalties, and as such, every effort will be made to see that they are strictly enforced. In addition to local, state, and federal purchasing requirements, the District strives for the best value in every purchase to maintain the support of our local community.

The business office will track these spending levels using commodity codes that are required as a part of every purchase order. All purchases, which may exceed these limits, should be brought to the attention of the Purchasing Department 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 approval. Because non-compliance may result in criminal penalties, this requirement will be strictly enforced. See separate "Purchasing Manual" for further details.

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 when the contract is valued at $20,000 or more.

Professional Services - Professional services include 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.

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.

Purchasing Cooperatives

To streamline purchasing processes while satisfying competitive procurement requirements, KISD participates in the Region VII Education Service Center Purchasing Cooperative as well as several statewide and national programs including, but not limited to, the TASB BuyBoard, Omnia, TIPS/TAPS, and Choice Partners. When possible, KISD uses the Region VII Purchasing Cooperative to source goods and services. The Region VII Purchasing Cooperative vendor list can be searched at **https://purchasing.esc7.net/vendors/psearch** Persons entering the purchase order is responsible for checking for a current contract each time they use a vendor.

All purchases made on behalf of KISD must be from vendors with a current award through one of the purchasing cooperatives listed above or by another approved competitive bidding method, such as a Request for Proposals (RFP). Due to varying bid cycles, a vendor may still be in the KISD accounting system even though they are no longer an approved vendor. Once it is determined that a vendor listed on the KISD vendor list is an unapproved vendor, the vendor will be marked as "inactive". *Please note: Being able to secure an item cheaper from a source not on an approved list does not satisfy state or federal competitive procurement requirements.*

Vendor List

The KISD vendor list will be maintained by the Business Office. Prospective vendors will only be added to the accounting system after all necessary documentation is received and vendor award status is verified. Campus and department office staff may request a new vendor by emailing the Business Office. Vendors are periodically inactivated as co-op awards expire. Vendors wishing to be placed on the KISD approved vendors list will be directed to bid through one of the purchasing cooperatives listed above.

Contracts- Consultants/Other Services

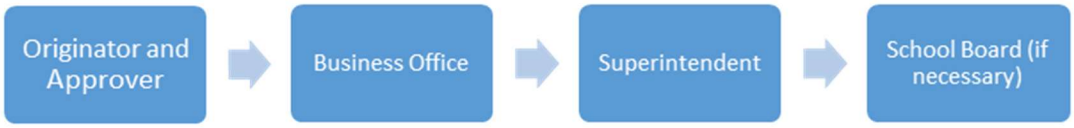
Consultants and other service providers are non-employees who are contracted to perform a service for the District.
The most common categories of contracted services are as follows:
Contracted Services provided by an ESC (object 6239)
Professional Services (object 6219) – These are services that are limited to specific professions, including accounting, architecture, medicine, professional nursing, and certain others that are required to be licensed or registered with the state.
Consulting Services (object 6291) – These services are delivered by an independent contractor whose practice is to help districts improve performance through analysis of existing problems and development of future plans. **Consulting does NOT include routine service/activity that is necessary to the functioning of a school district's programs, such as hiring additional people on contract to supplement existing staff.** It also does not apply to services provided to conduct organized activities, such as training, professional development, or other similar educational activities.
Miscellaneous Contracted Services (object 6299) – Contracted services that do not fall under any of the above listed categories may be classified as "miscellaneous" or "other" contracted services. These may include guest speakers for workshops, tryout judges, game officials, and others.

Additional types of contracted services are defined and described in the TEA Financial

Accountability Resource Guide (FAR) and codified in the District's chart of accounts. Regardless of the type of service, **only the Superintendent or designee is authorized to sign contracts on behalf of the District**. No other employee is authorized to sign a contract on behalf of the District.

Contracts that exceed $50,000 shall be sourced and awarded according to the competitive procurement requirements established in the appropriate state law (Education or Government Code). The evaluation criteria, such as cost and prior performance, for the review of 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 develop the request for proposals/bids and evaluate responses.

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



If a contract for a consultant or service will be funded through a federal grant, the Grants Manager shall also approve the contract to ensure that it is: 1) allowable under the grant program requirements; 2) included in the grant application; 3) included in the grant budget; and 4) approved by the granting agency (usually TEA).

Contracts for services require an approved purchase order just as any other purchase. The contract will not be released to the service provider, nor shall any work begin, until a purchase order has been approved by the final approver in Skyward.

The contract originator (campus or department administrator) shall be directly responsible to ensure the contractor performs the services covered by the contract. The originator is also responsible for obtaining the following documents from the service provider: Contractor Agreement, IRS W-9 and DPS Background Authorization Form.

Paperwork must be completed and given to the Human Resources Department so that they are able to do the appropriate level of background checks, based on the contact level with students intended.

Purchase Requisition & Order Forms

A purchase order must be secured prior to any purchase or commitment of District funds. KISD purchases are not allowed without an approved purchase order. This regulation is District policy and applies to all KISD employees. Board policy CH (LOCAL) states that "Persons making unauthorized purchases shall assume full responsibility for all such debts." Failure to follow this Board policy may result in an employee's personal liability for the expenditure. If an emergency or extraordinary need arises, please contact the business office.

Each campus or department may determine how its employees will request items to be purchased. Sample requisition forms are available from the Business Office. Requisitions to purchase supplies, equipment, or services should ultimately be submitted to the campus/department secretary who will enter the request electronically in Skyward. The requisition will be routed through Skyward for applicable approvals. Upon completion of the approval process, the purchase order may be printed by the originator. Each campus/department may determine who is responsible for forwarding the purchase order to the vendor.

Certain purchasing cooperatives require that purchase orders go through the cooperative rather than the vendor. If a purchase order must be sent to a cooperative, the business office will send it to the cooperative for processing and will notify the originator that the order is in process.

District employees shall not be permitted to purchase anything for personal use through the District's accounts. In general, KISD does not reimburse employees for purchases. If a vendor will not accept a purchase order or a District credit card, or there is an extenuating circumstance that prevents an employee from using the normal purchasing channels, the CFO may pre-approve a reimbursement before such a purchase is made. These exceptions are rare, and every effort must be made to follow the normal purchasing process prior to requesting this type of reimbursement.

Receiving of Goods

All goods are delivered to the Maintenance Building, where packages are logged and immediately forwarded unopened to the requesting campus or department. A copy of every purchase order for goods is available to the originator in the Skyward financial system for use in the receiving of goods. Upon receipt of goods, the secretary of the campus/department shall promptly verify that the order was received complete and in good condition. Discrepancies, if any, should be reported to the vendor immediately. Staff members who receive authorization to pick up goods directly from a vendor shall submit written confirmation of receipt to the secretary.

A copy of the purchase order should be printed, signed, and dated by the person verifying the order. This copy should then be forwarded to the Accounts Payable office within 5 days so that

payment can be issued. **Vendors will only be paid upon receipt of this documentation and a proper invoice.**

Purchase of Food and Non-Food Items

Food and non-food items (paper goods, plastic-ware, cups, etc.) shall be for instructional purposes for meetings/training sessions, or other approved functions. These items may NOT be purchased and consumed 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 and are addressed in a separate manual discussing child nutrition procedures.

Generally, snacks food, and non-food supplies for staff development purposes shall be charged to a staff development account (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. Teachers traveling with students to educational or athletic events may be provided meals along with students, as this is also deemed a "working lunch".

The purchase of breakfast or refreshments/snacks are strictly prohibited with state and federal grants. See separate "State and Federal Grants Manual" for further guidance.

Purchasing Card – JP Morgan Chase

(Southern States Consortium – City of Fort Worth Inter-local)

The purchasing card is a credit card issued through JP Morgan's Commercial Card Program. Purchasing cards are available for central office level professional staff subject to execution of an Employee Purchasing Card (P-Card) Agreement. Additional cards are maintained for travel, athletic team meals and transportation costs. These additional cards are maintained by each of the department secretaries over these programs and checked out to employees for the specific uses defined for each of these cards. Each of the directors over these cards must sign a policy statement indicating they are aware of these requirements and follow the guidelines as set forth in these procedures.

The individual director P-Cards may be used by the central office staff for travel purposes in lieu of checking out a card from the District business office. These administrative employees are responsible for following all of the pre-trip requirements discussed in the travel section of this document prior to traveling. Additionally, these administrative P-Cards may be used for purchases when no other method of payment is acceptable to the specific vendor. In the latter case, administrative employees are responsible for completing a request to use District credit card form and getting proper signatures showing authorization **prior to** making the purchase.

Any employee using a P-Card for a purchase must submit a Tax-Exempt Form to the merchant to avoid sales taxes on purchases. If the purchaser fails to submit the Tax-Exempt Form, the purchaser shall promptly reimburse the sales tax to the district.

The District does allow the use of the P-Cards for purchases from federal grants if all stated procedures related to these cards are followed, local, state and federal. Expenditure of federal funds with a credit card shall be allowable under the grant program. In addition to any other approval required of an employee using a P-Card, employees using one of these cards for a state or federal grant must also have the signature of the Grants Manager on the Request to Use District Credit Card Form prior to making the purchase. If the Grants Manager approves all other purchasing documents such as purchase orders, the Grants Manager shall also approve all credit card expenditures.

Credit Cards – Selected Merchants

(Wal-Mart, Lowes, etc.)

The district utilizes several credit cards for purchasing of food, supplies, and travel. Selected merchant cards shall be maintained at the campus or department or issued by the business office upon approval of a purchase order. All credit card purchases must be pre-approved on a purchase order.

All credit receipts (detailed, itemized) shall be submitted to the business office within seven days of purchase to ensure prompt payment to the vendor. District credit card usage may be suspended and/or revoked if procedures for purchase orders and receipts are not followed.

The district does 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. If the Grants Manager approves all other purchasing documents such as purchase orders, the Grants Manager shall also approve all credit card expenditures.

Each campus or department that is entrusted with credit cards shall properly secure the cards [when not in use] in a locked safe.

Rental of Facilities

The Executive Assistant to the Superintendent shall coordinate the rental of all campus facilities by working with principals and other staff to determine availability…… and secure a completed rental agreement. All rental fees shall be deposited to the district's rental revenue account. 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 Rental Agreement is required for all rentals of facilities by outside organizations. Agreement policies and terms are outlined in the Facility Use Agreement Manual. This agreement can be located on the KISD website.

Returned Checks

(See Appendix A)

The district no longer contracts with an outside vendor to collect returned checks. All returned checks are to be collected by the appropriate party. This will be the Business Office for any returned for General Fund, Debt Services or Cafeteria Fund. Campus Secretaries will be responsible for the collection of a returned check for a campus fundraiser and activity fund sponsors will be responsible for collections for their specific campus group.

All returned checks will need to be logged onto the shared Google Sheet for returned checks. This will help the Business Office track repeat offenders.

Once the money is collected, by either cash or money order, it will need to be deposited separately from any other money being deposited. This will make it easier to track should there be any questions down the road as to whether it was paid or not.

Sale of Personal Property – Surplus

All supplies and equipment which are deemed to be surplus, will be recommended to the Superintendent for sale via a Surplus Sale or other disposal method providing the best value to KISD.

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

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 or for outside organizations, such as booster clubs, constitutes a misdemeanor.

Copies of the exemption form may be obtained from the business office or from the KISD website. 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.

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

Travel Expense – Advances & Settlements

(See Appendix B)

All travel requests shall be submitted using travel requisition paths set up in Skyward at least two (2) weeks prior to the travel event (meeting, conference, workshop, athletic event, etc.). The travel requisition is routed to the appropriate administrator for approval at a minimum the request is approved by the budget manager for the funds being used to pay for the travel and the employee's immediate supervisor.

The documentation for travel expenses is a **two-part process**. The travel request submitted in the Skyward system acts as an estimate of travel expenses, provides fund sources for the travel and follows an approval path to show budget managers approval for travel It is preferred that each employee complete their own travel requisition even if traveling in a group. There will be special circumstances that will warrant a group requisition. The Business office should be contacted prior to requisitions being completed so that proper documentation is included on the requisition and there are no surprises later. Following travel, employees must complete a Travel Expenditure report reflecting actual travel expenses. Kilgore ISD does not provide travel advances unless an employee shows that the travel creates a hardship and appropriately completes a request for travel advance. In such cases, Internal Revenue Service (IRS) requires that a settlement of advanced business expenses and it dictates that if a settlement is not received, that the amount of the advance be deducted from the wages of the employee and properly taxed.

The travel rates for meals, lodging, mileage, and airline are limited to the rates and amounts stated in district travel guidelines, or the GSA per diems. Refer to the Kilgore ISD Travel Guidelines for Employees for current policies, procedures and reimbursement rates.

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 Travel Settlement form shall be submitted within ten (10) days after the return of the traveler. All actual travel expenses shall be recorded on the travel expenditure form, with original receipts, not charge tickets, for all expenses except mileage. If a District travel card was used, it should be returned to the business office along with copies of any receipts charged to it within two days of return. All monies due to the traveler will be paid following travel completion and submission of a complete travel expense form with the final purchase order attached.

You will find individual guidance documents for travel on the KISD website. There are separate guides for traveling with and without students.

Vendors

Purchases from vendors that operate on a cash basis (do not accept purchase orders) are not preferred. The business office should be contacted for assistance when this is the only option available for securing a particular product or service.

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 packet 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 if applicable. The governing body (School Board) and the Superintendent shall complete and file Local Government Officer Conflicts Disclosure Statement (CIS) with the business office.