LHISD

TOGETHER, WE ARE BUILDING CHAMPIONS.

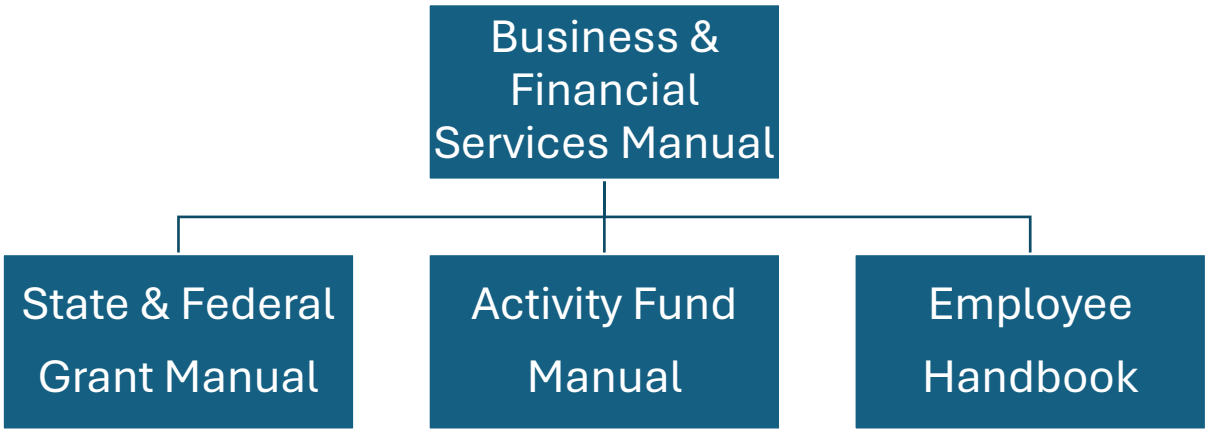
BUSINESS & FINANCIAL SERVICES MANUAL

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Introduction

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



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

Business & Financial Services Phone Number: (512) 260-5570

Accounting Code Structure

The Financial Accounting and 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.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.

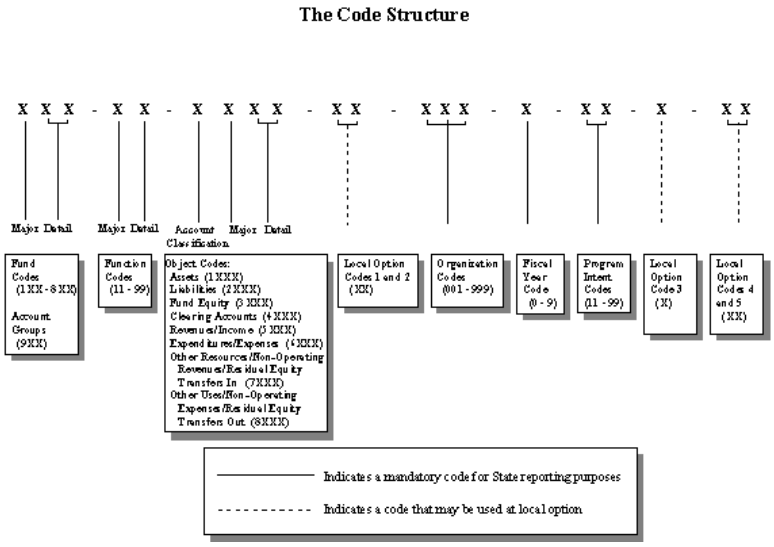


Exhibit #29 (FAR: 1.4.1 Overview of Account Codes)

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

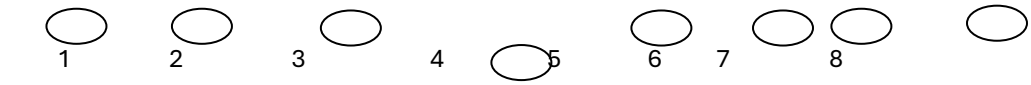
This code is used to classify expenditures/expenses for all other operating costs not mentioned above. This account includes:

- Fees (not associated with travel)
- Awards
- Bid notices
- Graduation expenses
- Food/refreshments for school-related meetings
- Newspaper advertisements, etc.

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:



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 identifies 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 Optional	A 3 digit code for optional use to further describe a transaction

Budget Transfers

A budget transfer is a transfer of funds which is **within the same function**. The Director/Campus Principal and then the Director of Finance 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 are performed through the Skyward Budget Transfer module and follow the Requisition/Purchase Order Organization Chart for approval.

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 or exceed $5.00. All cash and checks shall be deposited to the campus Administrative Assistant/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 Administrative Assistant.** The campus Administrative Assistant/Bookkeeper shall receipt in a bound, pre-numbered receipt book and deposit the funds that day.

Athletic event gate receipts (admission tickets) shall be recorded on an **Athletic Gate Receipts form** and submitted by the Ticket Taker to the Athletics Administrative Assistant.

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. 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 & Financial Services checks will be printed, endorsed, and released on a weekly basis. Generally, checks will be generated on Thursdays. 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 Accounts Payable Specialist. Check requests without all of the supporting documentation will not be accepted, nor processed. The Business & Financial Services Department shall determine the date that vendors will be paid, so employees should not make prior commitments to vendors about check disbursements.

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 Accounts Payable Specialist on a timely basis for payment. State law, Texas Prompt Payment Act, requires that Business & Financial Services 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 Business & Financial Services on a timely basis for payment. Vendor provided discounts, such as net 10, shall be taken as appropriate. Checks not cashed by the expiration date (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 Contract for Professional Services is required for every consultant. All contracts shall be subject to review by the Chief Financial Officer. **The Superintendent and CFO (or designee) are the only individuals 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.**

All contracts that exceed $50,000 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 & Financial Services Department to evaluate the proposals/bids.

If a contract for a consultant or contracted services will be funded through a federal grant, the Grant 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. For additional guidance, refer to the **State & Federal Grants Manual**.

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

Please follow these procedures when submitting a Contract for Professional Services.

1. Submit a completed Contract for Professional Services to the CFO for review.
2. Obtain the following documents from the consultant:
    - A completed W-9 form
    - A Felony Conviction Form
    - LHISD ACH Payment Authorization (optional, but recommended)

Credit Cards

The district utilizes Citibank credit cards. The credit cards shall be maintained by the individual to whom the card was issued or at the campus or department. A travel card may be issued by the Business & Financial Services Department upon approval of a purchase order.

All credit receipts (detailed, itemized) shall be submitted to the Business & Financial Services Department within 30 days of purchase to ensure prompt payment to the vendor. If receipts are not submitted on a timely basis, district credit card usage may be suspended and/or revoked.

The district does not allow the use of the selected merchant credit cards for purchases from federal grants. Each campus or department that is entrusted with credit cards shall properly secure the cards [when not in use] in a locked safe.

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 Form** 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. All expenditures with the donated funds shall follow the established purchasing and payment procedures. Technology related donation requests must have written approval from the Chief Technology Officer. Facility improvement donation requests must have written approval from the Chief Operating Officer.

Campus staff shall not utilize an external donor website (such as GoFundMe and Amazon Wish List) to seek donations for the campus. All staff must comply with the **Administration Recommendation for Crowdfunding**. Donor websites shall not be established by the campus for the personal benefit of a staff member or student.

Student activity clubs and organizations may conduct Fundraisers and seek donations for their club or organization with the written authorization from the Campus Principal and the Chief Financial Officer. For additional guidance, refer to the **Activity Fund Manual**.

Field Trips

All Field Trips should be pre-approved by the Campus Principal. Field Trip Permission Slips should be completed and approved by the Principal for each student participating.

A purchase order or Activity Fund Check Request shall be submitted for admission fees, meals, etc.

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 via TransFinder prior to the field trip. If the requestor will be driving a district-owned vehicle, he/she must be listed on the Authorized Driver List.

In the event that a staff member transports students to an approved event in a private or leased vehicle, the staff member 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. The purchase order, travel authorization or expenditure shall be approved with federal grant funds until a copy of the approval form has been received from the granting agency and/or pass-through entity.

Fiscal Year

The fiscal year begins on September 1st and ends on August 31st. 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 August 31st, shall be submitted to the Business & Financial Services Department by September 10th for processing and payment.

Fixed Assets & Inventory

Fixed assets are defined as equipment with a unit value over $5000. 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 CFO 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 $200, but less than $5000. Other items with a unit value under $200 are also tracked and tagged such as: TVs, digital cameras, camcorders, tablets, Chrome books, and other items. 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 CFO for removal from the district's inventory tracking system. Inventory items are tracked for insurance purposes. Inventory items with a unit value over $5,000 must be purchased through the use of an Object Code 663X. Inventory items with a unit value less than $5,000 must be purchased through the use of an Object Code 6399.

The loss or theft of inventory and fixed asset items should be reported immediately to the CFO.

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 or designee 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.

Receipt and Use of District Property Form 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 donated to the district by outside sources may be given to employees as a reward or incentive. Gift cards, in any amount, whether purchased by the district or donated to the district, are taxable to the employee and must be processed through the employee's paycheck [IRS Regulations]. The value of the gift card shall 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 **State & Federal Grants 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!!!!!

Special Programs shall be directly responsible for the management of all state and federal grants. The CFO or designee shall review all grant purchases and expenditures and seek guidance Special Programs 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 Special Programs 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 Business & Financial Services after collaborating with Special Programs.

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 & Financial Services Department or campus/department Administrative Assistant/Bookkeeper. State 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. The Hotel Occupancy Tax Exemption Form can also be found on the Business & Financial Services website.

Invoices

Vendors are required to submit all invoices to the Business & Financial Services Department, yet occasionally an invoice will be e-mailed or mailed directly to a campus or department. If any invoices are received at the campus or department, they must be forwarded to the Business & Financial Services Department.

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.

Long Distance Calls

The district does not require the use of a **Long Distance Call Code** for *every* long distance call due to the increasing number of long distance calls to staff and parent cell phones with an area code other than area code 512. However, staff is encouraged to notify Business & Financial Services of unusual long distance calls such as excessively long, out-of-the-country or frequency of call.

Business & Financial Services reviews the monthly long distance invoices for reasonableness. Questionable long distance call charges shall be referred to the appropriate caller for supporting documentation. Inappropriate long distance call charges, if any, shall be reimbursed by the caller within 30 business days.

Personal long distance calls are strongly discouraged.

On-Line Purchasing/e-Commerce

Since external vendor on-line purchasing generally does not have internal controls which include verification of available budgeted funds, use of on-line purchasing will be limited to specific vendors and authorized users. The district will utilize on-line purchasing through Office Depot, Amazon, Staples and School Specialty. Training for this type of purchasing will occur on an as-needed basis.

Prior to releasing on-line purchasing requests, a purchase order must be approved by the Business & Financial Services Department.

Payroll Procedures

The **Employee Handbook** has been compiled to assist district staff in understanding federal and state laws that impact payroll disbursements. The handbook also includes district policies and procedures.

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 a staff development account code (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".

When food and non-food items are utilized for faculty, site-based meetings, etc., the expense shall be code to the Campus Activity Account (fund 461). All other uses should be coded to the appropriate account code.

The purchase of refreshments and snacks are strictly prohibited with state and federal grants. Meals [breakfast and lunch] may be allowable on a limited basis if the meal meets the "working lunch" or "light lunch" exceptions as described in TEA's Budgeting Guidance Handbook (located at www.tea.state.tx.us). All federally-funded meals must be reasonable and necessary and shall not exceed $20 per meal per person.

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 Skyward Purchasing Module by the requesting campus or department and submitted to the Business & Financial Services Department 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 Skyward Budget Transfer.

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.state.tx.us.

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.

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.

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). All purchases, which may exceed these limits, should be brought to the attention of the Business & Financial Services 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 School Board approval. Since non-compliance may result in criminal penalties, this requirement will be strictly enforced.

For purchasing levels and requirements, refer to the chart below:

LIBERTY HILL I.S.D. PURCHASING LEVELS AND REQUIREMENTS

Purchase Commitment Amount	Support Required	Additional Forms	RFP/RFQ	Advertising
Purchases with State and Local Funds				
For purchases **Less than $20,000**	1 QUOTE (COOP VENDOR PREFERRED)	NOT REQUIRED	NOT REQUIRED	NOT REQUIRED
For purchases of **$20,001 to $49,999**	COOP = 1 QUOTE OR 3 QUOTES (COOP VENDOR PREFERRED)	COOP CONTRACT # OR 3 QUOTES	NOT REQUIRED	NOT REQUIRED
For purchases **over $50,000** Competitive Procurement Required (Education Code 44.031)	COOP = 1 QUOTE OR 3 QUOTES	COOP CONTRACT #	REQUIRED IF NOT COOP	NOT REQUIRED
SOLE SOURCE PURCHASE	1 QUOTE	SOLE SOURCE AFFIDAVIT	NOT REQUIRED	NOT REQUIRED
Purchases with Federal Grant Funds				
For purchases Less than $10,000 (Micro-purchase/Fed Funds)	1 QUOTE	NOT REQUIRED	NOT REQUIRED	NOT REQUIRED
For purchases of $10,001 to $49,999 (Small purchase/Fed Funds)	3 QUOTES	3 QUOTE	NOT REQUIRED	NOT REQUIRED
For purchases **over $50,000** (Small purchase/Fed Funds) Competitive Procurement/Texas	COMPETITIVE PROCUREMENT (Education Code 44.031)	BID OR PROPOSAL TABULATION	REQUIRED	REQUIRED Two (2) consecutive weeks
For purchases over $250,000 Single Acquisition Threshold/Fed	COMPETITIVE PROCUREMENT (Sealed Bids or Competitive Proposals)	SCORE CARD	REQUIRED	REQUIRED Two (2) consecutive weeks
SOLE SOURCE PURCHASE $50,000 and over	1 QUOTE	SOLE SOURCE AFFIDAVIT (Approval from TEA)	NOT REQUIRED	NOT REQUIRED

P-Card – State of Texas Procurement Card Program

The district is a participant of the State of Texas Procurement Card Program. The State of Texas purchasing card is a credit card issued through Citi-Bank's Commercial Card Program.

The purchaser must submit a **Sales Tax Exemption form** to the merchant to avoid sales taxes on purchases. If the purchaser fails to submit the Sales Tax Exemption form, the purchaser shall promptly reimburse the sales tax to the district.

All credit receipts (detailed, itemized) shall be submitted to the Business & Financial Services Department within 2 days of the 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 subject to immediate reimbursement by the employee. If a receipt is not received from the purchaser, the purchaser may be held liable for reimbursement of the entire purchase. 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 P-Card for purchases shall sign a

P-Card User Agreement. Violations of the P-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.

All P-card purchases must be approved in advance and a purchase order must be in place before you may check out a P-card.

Receiving of Goods

The district utilizes a decentralized receiving system – all goods are delivered to the originator's location. Upon receipt of the goods, the originator shall count all items and receive in Skyward. Upon the receiving the invoice, the accounts payable department shall prepare and distribute the payment to the vendor.

The originator shall resolve all receiving discrepancies such as damaged goods, shortage of goods, etc. directly with the vendor.

The Purchasing Coordinator and Accounts Payable Specialist shall work collaboratively to review Aged Purchase Orders.

Rental of Facilities

The Director of Facilities shall coordinate the rental of district facilities. 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 on-line requisition 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 Rental Agreement is required for all rentals of facilities by outside organizations. All contracts shall include a cleaning fee [unless waived]. Other fees, if any, will be negotiated with the lessee at the time that the rental agreement is executed. All rental agreements must be accompanied by a **Certificate of Insurance** (with LHISD as additional insured) prior to the first (1st) day of facility usage.

Returned Checks

The district utilizes a check collection agency, Envision Payment Solutions. Envision Payment Solutions will pursue any returned checks and collect funds on behalf of the District. The district reserves the right to reject future checks from makers of returned checks.

Envision Payment Solutions Phone Number: 877-290-5460

http://www.envisionpayments.com/

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 or Board for sale via GovDeals.

Surplus sales shall be advertised in the local newspaper. Items will 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 Business & Financial Services. Each purchaser shall be responsible to complete, sign and present the form to the vendor. Note: The purchaser is certifying with his/her signature the following:

> *I understand that I will be liable for payment of all state and local sales or use taxes which may become due for failure to comply with the provisions of the Tax Code and/or all applicable law. I understand that it is a criminal offense to give an exemption certificate to the seller for taxable items that I know, at the time of purchase, will be used in a manner other than that expressed in this certificate, and depending on the amount of tax evaded, the offense may range from a Class C misdemeanor to a felony of the second degree.*

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 administrative assistant/bookkeeper shall issue a receipt for the sales tax and forward the funds to the Business & Financial Services Department 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 Procedures & Guidelines

The District guidelines shall apply to all travel expenses regardless of funding source for in-state and out-of-state travel. All anticipated travel costs shall be submitted via the LHISD Travel Approval Form, approved by the immediate supervisor, Chief Financial Officer, Chief of Schools (for overnight student travel and out of state employee travel) and Superintendent (for out of state student travel). All anticipated travel costs shall be requested on the LHISD Travel Approval Form before any travel-related costs are incurred by the district or traveler.

- Employees will be limited to two out-of-district trainings or conferences per fiscal year.
- No more than two representatives from each campus or department may attend the same out-of-district conference or training during the fiscal year.
- All employee and student travel must have advanced approval from all required district approvers prior to the travel leave date.
- All travel costs should include a penalty-free cancellation provision.
- In-district travel is defined as all travel within district boundaries and within a 50-mile radius of traveler's district building or campus.
- Out-of-district travel is defined as all travel outside of 50 miles.
- Upon return from a trip, the completed Employee Travel Expense Reimbursement Form must be submitted within 30 days.
- Reimbursements will not be issued unless all supporting documentation, including a pre-approved travel form, an agenda, and itemized receipts, are submitted.
- Each employee's reimbursement request should only include his/her own expenses, and without sales tax.
- Any expenses associated with deviations from the required travel plans, such as pre or post personal days or canceled travel plans due to personal reasons will not be paid by the District and will be reimbursed by the traveler.
- An employee shall not approve his/her own expenses.

For detailed policies & procedures, employees should read and refer to the LHISD TRAVEL PROCEDURES & GUIDELINES manual.

Vendors

The addition, deletion and update of vendors shall be performed by the Purchasing Coordinator. The district shall ensure that all vendors are capable of providing the intended goods or services.

Purchases from vendors that operate on a cash basis (do not accept purchase orders) will not 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 a Form W-9, https://www.irs.gov/pub/irs-pdf/fw9.pdf Felony Conviction, and a LHISD ACH Authorization form (optional to vendor). These forms can be found on the Business & Financial Services website.

If vendors require credit applications, please contact the Purchasing Coordinator.