

**DELEON INDEPENDENT SCHOOL
DISTRICT**

**BUSINESS PROCEDURE
MANUAL**

CONTENTS

<u>General Information</u>	<u>1</u>
<u>Purchasing Guidelines</u>	<u>2</u>
<u>Budget</u>	<u>3</u>
<u>Donations</u>	<u>4</u>
<u>Cash Receipts</u>	<u>5</u>
<u>Employee Travel</u>	<u>6</u>
<u>Student Travel</u>	<u>7</u>
<u>State & Federal Program Reporting</u>	<u>8</u>
<u>Sales Tax Rules</u>	<u>9</u>
<u>Payroll</u>	<u>10</u>
<u>Fixed Assets</u>	<u>11</u>
<u>Appendix</u>	<u>12</u>

DeLeon Independent School District
Business Procedures Manual

Section 1

General Information

1.0 Requirements

- 1.1 The DeLeon Independent School District (DISD) Business Procedures Manual for schools and departments is a consolidation of updated guidelines designed to provide a comprehensive presentation of standardized procedures that are mandated by state law, Board policy, administrative directives and/or good business practices.
- 1.2 Compliance with these provisions is **mandatory** for all funds processed through the business office regardless of their source.
- 1.3 Conformation with these guidelines will allow prompt and accurate conducting of the district's business affairs in a responsive and progressive manner.
- 1.4 Information and procedures specific to activity funds can be referenced in the Activity Fund Manual.

2.0 District Policies

The following policies and administrative directives apply to district funds:

- BBFA (Legal) Ethics: Conflict of Interest
- BBFB (Legal) Ethics: Prohibited Practices
- BQ (Local) Planning and Decision-Making Process
- BQA (Local) Planning and Decision-Making Process: District-Level
- BQB (Local) Planning and Decision-Making Process: Campus-Level
- CAA (Local) Fiscal Management Goals and Objectives: Financial Ethics

CCA (Legal) Local Revenue Sources: Bond Issues

CDA (Local) Other Revenues: Investments

CE (Legal) Annual Operating Budget

CFB (Local) Accounting Inventories

CFD (Local) Activity Funds Management

CH (Legal, Local) Purchasing and Acquisition

CHE (Legal) Purchasing and Acquisition: Vendor Relations

CHF (Legal) Purchasing and Acquisition: Payment Procedures

CMD (Legal, Local) Equipment and Supplies Management: Instructional Materials Care and Accounting

CQ (Legal, Local) Electronic Communication and Data Management

CV (Local) Facilities Construction

DBD (Legal, Local) Employment Requirements and Restrictions: Conflict of Interest

DBE (Legal) Employment Requirements and Restrictions: Nepotism

DEE (Legal, Local) Compensation and Benefits: Expense Reimbursement

DH (Exhibit) Employee Standards of Conduct

DK (Local) Assignment and Schedules

DMD (Local) Professional Development: Professional Meetings and Visitations

EHBD (Local, Legal) Special Programs: Federal Title I

FJ (Legal) Gifts and Solicitations

FM (Legal, Local) Student Activities

FP (Legal, Local) Student Fees, Fines and Charges

GKB (Local) Community Relations: Advertising and Fundraising in the Schools

GKD (Local) Community Relations: Nonschool Use of School Facilities

GKDA (Local) Nonschool Use of School Facilities: Distribution of Nonschool Literature

DeLeon Independent School District

Business Procedures Manual

Section 2

Purchasing Guidelines

1.0 General Guidelines

- 1.1 The purchasing process begins with the identification of goods or services that the district intends to acquire. All purchases must be coordinated with the District's vision, goals, and objectives (see Pre-Acquisition Form). The procurement of these goods or services is monitored in the business office.
- 1.2 The objective of procurement is to obtain services or to buy materials, supplies and equipment of the right quality, the right quantity, from the best source, at the best price and in compliance with all applicable legal requirements, thus ensuring taxpayer dollars are well spent.
- 1.3 The organization director/principal is responsible for all expenditures made from budgets assigned to him/her.
- 1.4 Budget allocations are intended for expenditures for goods and services to be used during the current school year.
- 1.5 Unused budget appropriations lapse at year-end.

2.0 Legal Requirements/Local Requirements

- 2.1 The business office will make the initial determination as to whether competitive bidding is required. A bid is required when over the course of a twelve-month period; the district will spend in excess of the competitive bidding thresholds for the same or similar commodities/items or services other than construction. Local/state policy dictates the requirements for purchases of similar commodities/services valued under \$50,000.00. Exceptions to this rule are as follows:

- Sole/only source items that have no reasonable equivalent, and are, in fact, available only from one source; and captive replacement or component parts for equipment repair. A notarized sole source affidavit form is required. Each sole source purchase will require an affidavit. The sole source affidavit form is available in the business office.

- Emergencies that arise out of an accident or other unforeseen occurrence or condition where delay would endanger the public welfare, such as a sewer and water failure, gas leaks, light and power failure, fuel shortage, transportation delay, fire and health hazards, etc. The business office should be contacted so that they can instruct you on the best procedures to follow in this situation.

- State/County Contracts

- Purchases from a Correctional Institution (TDCJ)

- Purchases from an Interlocal Agreement with a Purchasing Cooperative (HCDE, TCPN, TIPS, etc.)

- Purchases from a State Purchasing Cooperative (TASB, TBPC, HGAC, etc.)

- Purchases to match an existing product such as replacement uniforms for band, choir, athletics, etc.

- Professional services such as attorneys, fiscal advisor fees, architects, physicians, certified public accountants and engineers

2.2 Purchases of similar commodities/services valued at \$50,000.00 or more in the aggregate during a twelve-month period, require a competitive bid processed in the business office and approved by the DeLeon Board of Trustees (BOT).

2.2.1 A schedule of all bids currently in place is listed on the district's website. This schedule is updated after each monthly board meeting.

- 2.3 Similar commodities/services valued at \$10,000.00 or more up to \$49,999.99 require a competitive/formal quote processed in the business office. Items may **NOT** be "split" on two or more orders to circumvent this law.
- 2.4 Purchases of similar commodities/services valued at less than \$10,000.00 within a twelve-month period requires three informal documented quotations. Items may **NOT** be "split" on two or more orders to circumvent this policy.
- 2.5 Orders must not be split to circumvent any of the above requirements. A trustee, officer, agent, or employee of a school district who intentionally, recklessly, or with criminal negligence makes or authorizes split, separate, sequential, or component purchases with intent to avoid the competitive bidding requirements commits an offense. The offense is a Class B misdemeanor and is an offense involving moral turpitude.
- 2.6 Purchases of \$50,000 to \$99,999.99 from cooperatives, interlocal agreements and sole sources require approval of the superintendent or designee before the purchase can be made or funds encumbered. If these types of purchases are \$100,000 or more, Board of Trustees approval is required before the purchase can be made or funds encumbered.
- 2.7 District Policy CH (Local), states, "Persons making unauthorized purchases shall assume full responsibility for all such debts."
- 2.8 No personal purchases of any nature may be made through or from the District.

3.0 The Competitive Bid Process

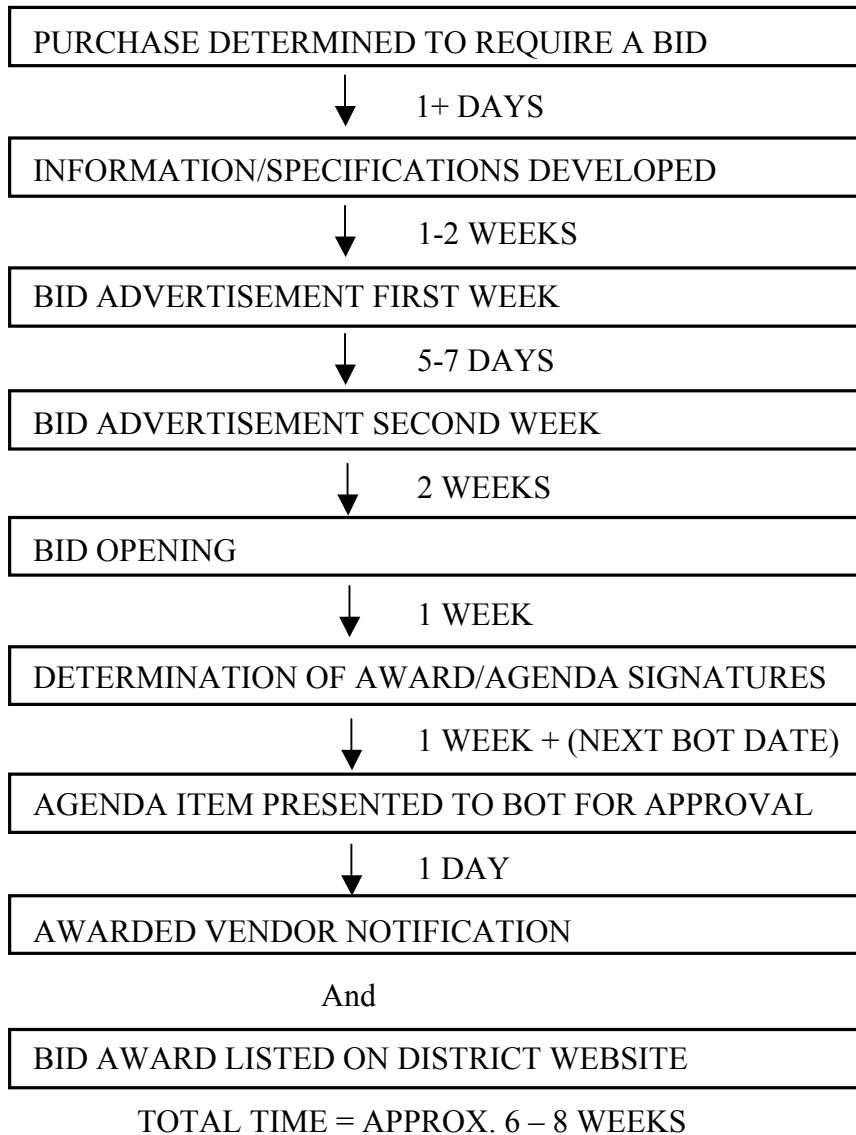
- 3.1 The competitive bidding process requires that bids be evaluated and awards made based solely upon bid specifications, terms and conditions contained in the request for bids document, and according to the bid prices offered by vendors, and pertinent factors that may affect contract performance. Once a determination has been made that a competitive bid must be in place (similar commodities/services valued at \$50,000.00 or more in the aggregate during a twelve-month period) in order to purchase goods/services for the district, the business office will require information from the budgetary authority making the purchase in order to advertise for the bid.
 - 3.1.1 All bids must be advertised in a local newspaper once a week for two separate weeks to determine any and all vendors wishing to respond.

- 3.2 The business office prepares a bid package for mail out to the approved vendors allowing time for an accurate response, typically three (3) weeks prior to the bid opening. A request for bids must contain the following elements:
 - 3.2.1 The business office will provide approved vendors a purchase description or specifications covering the item(s) to be obtained
 - 3.2.1.1 Bid specifications are the listing of reasonable standards and limitations which bidders are obliged to observe.
 - 3.2.1.2 A specification generally will include a description of the required item, the characteristics or functions of the item, and the terms and conditions under which the procurement will be made.
 - 3.2.1.3 Specifications must be drafted to allow vendors supplying reasonably equivalent items to compete on an equal basis. Specifications should not be so vague that bidders do not have enough information on which to draw intelligent bids nor should they be unduly restrictive.
 - 3.2.1.4 Specifications that tend to favor a particular bidder, not for any reason in the public interest, but rather to ensure the award of the contract to a particular vendor, are improper.
 - 3.2.1.5 If a brand name represents an industry wide standard, the brand name product may be specified as long as the specifications provide an "equivalency clause," that is, a statement that products reasonably equivalent to the standard are acceptable. Samples may be required in order to determine equivalency from a vendor.
 - 3.2.2 Work or services needed
 - 3.2.3 Terms and conditions for the proposed bid contract
 - 3.2.4 Time and place for opening bids and other provisions
- 3.3 Bid documents are date stamped and left unopened until the advertised bid opening date and time. Bid documents are publicly opened and tabulated. All interested parties may attend the bid opening.
- 3.4 The competitive bidding process requires that bids be evaluated and awards made based solely upon bid specifications, terms and conditions contained in the request for bids document, and according to the bid prices offered by vendors, and pertinent factors that may affect contract performance.

- 3.5 Bids may be awarded as an "all or none" bid giving all items awarded to one vendor or by line item award to multiple vendors.
- 3.6 Tie bids will be determined by coin toss and listed as such on the Tabulation of Bids unless one is a local vendor. Local vendors are given priority over out-of-city and out-of-state vendors.
- 3.7 When a bid has been opened and tabulated by the business office, a copy of the Tabulation of Bids will be furnished to the superintendent.
- 3.8 The business office/superintendent will prepare the agenda item to be presented for Board of Trustees approval at the next scheduled board meeting.

3.9 Timeline for Bid Process

The following timeline is an approximation for estimating the length of time to allow for the bid process.



SEE SAMPLE BID AND BID NOTIFICATION in APPENDIX

4.0 Competitive Sealed Proposals/Request for Proposals

- 4.1 Purchases for like commodities district-wide valued at \$10,000.00 or more up to \$49,999.99, within a twelve-month period, will require a competitive sealed proposal.
- 4.2 The terms and conditions of competitive sealed proposals/requests are identical to those for competitive bidding procedures.
 - 4.2.1 Except that changes in the proposal, and in prices, may be negotiated after proposals are opened.
- 4.3 The competitive sealed proposal process provides for full competition among proposals and allows for the negotiation with the proposer or proposers to obtain the best services at the best price.
- 4.4 A Request for Proposals (RFP) is a part of the competitive sealed proposal process.
- 4.5 The RFP is the mechanism that generates the receipt of competitive sealed proposals and should contain the following key elements:
 - 4.5.1 Determination by the board of trustees that this method will provide the best value for the district
 - 4.5.2 Newspaper advertisement
 - 4.5.3 Notice to proposers
 - 4.5.4 Standard terms and conditions
 - 4.5.5 Special terms and conditions
 - 4.5.6 Scope of work
 - 4.5.6.1 Scope and intent
 - 4.5.6.2 Definitions and applicable documents
 - 4.5.6.3 Requirements
 - 4.5.6.4 Quality assurance
- 4.6 Acknowledgement form/response sheet

5.0 Informal Price Quotations

- 5.1 Purchases for like commodities district-wide valued at less than \$10,000.00, within a twelve-month period, will require three informal documented quotations.
 - 5.1.1 Unless the items can be purchased through the CISV catalogue, or
 - 5.1.2 Inter-local contracts
- 5.2 Quotes may be obtained by fax, email, or telephone. Current pricing must be obtained from three sources quoting the same specifications. The quotations should be summarized on the Quotation Tabulation Form and attached as support.
 - 5.2.1 If a vendor is unable to meet those specifications, another vendor should be contacted if possible.
 - 5.2.2 If another vendor is not available, then the vendor not able to meet the specifications will be accepted.
 - 5.2.3 Telephone quotes must be documented on the Telephone Quotation Form
 - 5.2.4 Email quotes must be printed
 - 5.2.5 Faxed quotes
- 5.3 Award of the quotation must be based on what is the best value for the district.
 - 5.3.1 If a vendor is disqualified (not meeting specifications), a brief statement indicating the reasons must be attached.
 - 5.3.2 Informal quotations do not require BOT approval.
- 5.4 All documented quotes must be attached to the Purchase Order then submitted to the business office when the item is received and payment needs to be made.

6.0 Inter-Local Contracts

- 6.1 The district has contracted or agreed with other local governments to purchase goods and services reasonably for the installation, operation, or maintenance of the goods.
- 6.2 Requirements for inter-local contracts include:
 - 6.2.1 Authorization by the governing board of each party to the contract
 - 6.2.2 Statement of the purpose, terms, rights and duties of the contracting parties
 - 6.2.3 Specification that each party paying for the performance of governmental functions or services must make those payments from current revenues available to the paying party
- 6.3 Inter-local contracts available to the district include but are not limited to:
 - 6.3.1 Texas Building and Procurement Commission
 - 6.3.1.1 TBPC <http://www.tbpc.state.tx.us/stpurch/coopmain.html>
 - 6.3.2 Department of Information Resources (Technology)
 - 6.3.2.1 DIR <http://www.dir.state.tx.us/>
 - 6.3.3 Texas Cooperative Purchasing Network (TCPN)
 - 6.3.3.1 <http://www.tcpn.org/alphavendorlist.html>
 - 6.3.4 Texas Inter-Local Purchasing Systems (TIPS)
 - 6.3.4.1 <http://www.Tips-texas.com>
 - 6.3.5 Buy Board
 - 6.3.5.1 <http://www.buyboard.com>
 - 6.3.6 Multi-Regional Purchasing Cooperative (MRPC)
 - 6.3.6.1 <http://purchase.esc2.net/MRPC/contractpage/default.asp>

7.0 Sole Source Purchases

- 7.1 A firm price quotation from sole source
 - 7.1.1 Quoted prices must be good for 30 days
 - 7.1.2 Quoted prices must be inclusive of all cost including freight
 - 7.1.3 Quoted prices must be on Vendor letterhead
- 7.2 The Conformation of Sole Source Compliance by Vendor form must be completed by the vendor.
 - 7.2.1 Forward form to business office to attach to the purchase order

8.0 Purchasing Process

- 8.1 Once the need for a particular good or service has been identified, you will need to determine if desired vendor is on the approved vendor list. All purchases must be made from an approved vendor.
 - 8.1.1 Vendors include any individual or company from which the District receives goods or services.
- 8.2 A vendor is approved upon completion of the New Vendor Form.
 - 8.2.1 The vendor form is to be completed by the requestor and, upon approval by the principal, submitted to the Business Office.
 - 8.2.2 The vendor is added to the TxEIS vendor list.
 - 8.2.3 The vendor is added to the Approved Vendor Spreadsheet.
- 8.3 Evaluating the performance of approved vendors is critical. When non-conforming products or services are received by an approved vendor, the Vendor Performance Report Form must be completed.
 - 8.3.1 Upon completion by the requestor and approval by the principal, the Vendor Performance Report form is submitted to the business office for the official complaint to be recorded on the Approved Vendor Spreadsheet.
 - 8.3.2 After the vendor has received three (3) notifications of Non-Conforming Products or Services recorded on the Approved Vendor Spreadsheet, the vendor is removed from the Approved Vendor List in TxEIS.

- 8.3.3 In extenuating circumstances, the administration has the discretion to immediately discontinue use of a vendor due to vendor performance or product quality.
- 8.4 Every two years vendors that have not had any activity will be removed from the approved vendor list.
- 8.5 There are gifts and relations from vendors that are unacceptable for district officials and district employees.
 - 8.5.1 School district officials and employees cannot accept anything of value from a vendor, such as personal gifts or gratuities, which may be construed to have been given to influence the purchasing process. **“Gift to a Public Servant” is a Class A misdemeanor offense if the recipient is a governmental employee who exercises some influence on the purchasing process of the governmental entity.**
 - 8.5.2 If a board member or member of their immediate family has a financial interest in a business entity(s), they are required to disclose this relationship through the execution of an affidavit.
 - 8.5.3 Board members must abstain from voting on award of contracts to businesses in which they or their immediate family members have a financial interest.

9.0 Purchase Requisitions/Purchase Orders

- 9.1 When an employee needs to purchase items, they must complete the Pre-Acquisition Form.
 - 9.1.1 Submit Pre-Acquisition Form to the campus secretary.
- 9.2 The campus secretary is then responsible to follow the procedures outlined in the Purchasing Guidelines.
 - 9.2.1 Resulting documentation is attached to the Pre-Acquisition Form.
- 9.3 The campus secretary then enters the information from the Pre-Acquisition Form into the TxEIS requisition module. (See attachment in Appendix)
- 9.4 The completed requisition is then submitted to the campus Principal electronically via TxEIS requisition module for approval.

- 9.5 Upon Campus Principal's approval, the requisition is then submitted electronically via the TxEIS requisition, depending on the amount:
 - 9.5.1 TxEIS routes the requisition to the Business Office
 - 9.5.2 If more than \$1,000, TxEIS routes the requisition to the Superintendent.
- 9.6 Once the requisition has final approval, the requisition is converted to a Purchase Order.
- 9.7 The Purchase Order is printed by the business office and sent to the originator via campus mail for the order to be placed.
- 9.8 The originator will then place the order with the vendor.
- 9.9 Upon arrival of the purchased item(s), the Campus Secretary will verify contents with the purchase order and attach it to the packing slip, invoice, and resulting documentation from the Purchasing Guidelines Procedures.
 - 9.9.1 Submit all purchasing documents to the business office.
 - 9.9.2 This verifies that the purchase is complete and ready for payment *to* be made.

10.0 Payment Authorization

- 10.1 When the district receives an invoice for payment without having encumbering a purchase order, a Payment Authorization Form must be completed and forwarded to the business office.
 - 10.1.1 Documentation of expense must be attached to the Payment Authorization Form.
 - 10.1.2 If it exceeds \$1,000, the superintendent's approval is required.
 - 10.1.2.1 Except for bills that occur monthly and exceed \$1,000
- 10.2 The Business Office will enter the PA into TxEIS which will generate a number to be recorded on the source document.
- 10.3 Once the check run is complete, the check is mailed to the vendor.

11.0 Credit Cards

- 11.1 When an employee uses a district credit card, a PO or Credit Card Authorization Form signed by the principal and superintendent must be present in order to use the card.
 - 11.1.1 The employee will sign and date the credit card log when issued the card and upon return.
- 11.2 All receipts and documentation must be turned into the business office attached to a PO or Payment Authorization.
- 11.3 When statements are reconciled per receipts, the Business Office will issue payment.

12.0 Returning Goods to a Vendor

- 12.1 It is the responsibility of the originator/receiver to contact the Business Office when the goods received are damaged or not as anticipated.
 - 12.1.1 It is important to examine the merchandise/goods as soon as possible after receipt of damaged or missing items.
 - 12.1.2 The District only has fifteen (15) calendar days upon receipt from the carrier to legally file a claim against the carrier.

13.0 Accounts Payable

- 13.1 When purchases are made whether through the purchase order process, payment authorization, credit card authorization, travel reimbursement; it is the responsibility of the originator to follow this procedure.
 - 13.1.1 All correct forms must be submitted properly filled out with attached documentation.
 - 13.1.2 Proper account codes must be on the appropriate form requesting payment.
 - 13.1.3 There must be an approval signature.
 - 13.1.4 If there is special handling forms and remittance information should be attached to the top left side of the document used to request payment.

- 13.2 For all purchases that have a purchase order, the vendor is required to submit the invoice to Business Office. In the event that an employee receives the invoice, they are required to forward the invoice to Business Office for processing.
- 13.3 When the receipt of the goods or services has been confirmed and the invoices received in Business Services, payment is ready to be made.
- 13.4 The purchase order is retrieved and attached to the invoice.
- 13.5 In the event an invoice is received that did not have a corresponding purchase order, a payment authorization form must be completed.
- 13.6 Daily invoices and all other payment authorizations are input into TxEIS for check run to take place as needed.
- 13.7 Once all detail information has been received the system will only process the payment request if there are sufficient funds. Once the system has determined that sufficient funds are available, the payment request is placed in queue for the weekly check run.
 - 13.7.1 If the system indicates a lack of sufficient funds, contact the Business Office.
 - 13.7.2 If the lack of sufficient funds is at the function level, the board of trustees must approve a budget amendment.
- 13.8 When it is time for the weekly check run, the Business Office will take appropriate action to correct any issues.
 - 13.8.1 Once changes and corrections are made a final Check Payment List is printed.
 - 13.8.2 The Check Payment List is then forwarded to the Superintendent or designee for final approval.
- 13.9 Upon approval of the Check Payment List, TxEIS will generate checks and post to the system.
- 13.10 After the checks have been printed the Business Office will pull any remittance information and place it with the check and place in an envelope to be mailed.
- 13.11 The file copy of the check is attached to the invoice and filed by vendor name in the vendor filing cabinet.

14.0 Lost/Voided Checks

14.1 Inquiries about lost checks should be directed to the business office.

14.1.1 If a stop payment needs to be issued, the business office will take care of it. The individual who lost the check may be charged a fee for the stop payment.

14.2 If a check is incorrect or no longer is needed, it should be forwarded to the Business Office so that the check can be properly voided.

DeLeon Independent School District

Business Procedures Manual

Section 3

Budget

1.0 General Information

- 1.1 The annual operating budget is the foundation on which annual school district activities are dependent.
- 1.2 The budget is reflective of the district's educational plan and should be viewed as an operating subset of a more comprehensive financial plan that directly correlates to the goals and objectives established to achieve the district's mission. Listed below are the DISD mission statement, goals and objectives.

Mission:

The DeLeon Independent School District seeks to help students become skillful, active, reflective, self-disciplined, and honorable members of the community through engaging learning experiences in a safe and nurturing environment.

Beliefs:

- We believe that knowledge empowers people.
- We believe that the limits of human potential are unknown and immeasurable.
- We believe that a safe and secure environment nurtures.
- We believe that all people are inherently free to make choices.
- We believe that responsibility is necessary for the benefits of freedom to be realized.
- We believe that leadership is a shared role and responsibility.
- We believe that integrity and respect build trust.
- We believe that meaningful relationships are essential for overall well-being.
- We believe that families provide stability for communities.
- We believe that diversity and heritage enrich and strengthen.
- We believe that faith gives meaning and purpose to human life.

Strategic Objectives:

DeLeon ISD believes that quality student achievement includes and goes beyond achieving the highest ratings awarded by state and national accountability standards. Our strategic objectives aim to address both the academic success and social well-being of every DeLeon ISD student.

- ~ Each student will achieve academic excellence with comprehensive knowledge, skill, and understanding within an individual learning plan.

- ~ Every student will demonstrate the character traits of a productive and honorable citizen in a global community.

Strategic Parameters:

- We will put students first.
- We will not compromise our commitment to excellence.
- We will treat all people with dignity and respect.
- We will practice open and honest communication within our organization and the community.
- We will not compromise safety and security.
- We will be good stewards of our resources.

- 1.3 School districts are labor-intensive organizations. As such, salary and benefits constitute the major portion of the annual operating budget (approximately 88%).
- 1.4 The budget is prepared in accordance with generally accepted accounting principles and state guidelines.
 - 1.4.1 State guidelines are administered and monitored by the Texas Education Agency (TEA). Detailed information can be obtained at <http://www.tea.state.tx.us/school.finance/audit/resguide12/far> by referencing the Financial Accountability System Resource Guide (FASRG).
- 1.5 The budget is adopted by the Board of Trustees (BOT) prior to the beginning of the fiscal year (September 1 – August 31). Listed below is the budget calendar followed by the district:

Budget Calendar

- September** Post current school year budgets
Provide campuses and departments with account detail
First Budget Review prepared on current school year
Roll prior year purchase orders with goods not received by 8/31
- October** Present Budget Review to BOT
Load current school year PEIMS budget file
Update Cash Flow Forecast
- November** Evaluate prior year ending budget vs. audited actual
Calculate roll-forward amounts from prior year on dedicated funding sources
Begin decision-making process regarding mandated TEC and TEA changes
- December** Submission of PEIMS budget information to TEA
Study current year payroll budget based on September - November expenditures
Compute Administrative Cost Ratio for prior year audited expenditures

Second Budget Review prepared on current school year

- January** Present Budget Review to BOT
Conduct budget workshop for next school year with BOT and administration
Preliminary local property tax values are estimated
Initial next school year state aid projection prepared
- February** Prepare budget gathering documents for next school year
Third Budget Review prepared on current school year
Next school year payroll estimates prepared
- March** Budget gathering documents sent to campuses and departments
Present Budget Review to BOT
Administration meets to review and recommend next school year campus staffing adjustments
Next school year salary schedules developed
Budget preparation training conducted with campus, department and program leadership
- April** Extract current year budget data into next year budget preparation module
Review and load campus and department budget requests
- May** Conduct comprehensive analysis of current year budget vs. actual
Fourth Budget Review prepared on current school year
Budget gathering documents sent to special revenue program directors
- June** Present Budget Review to BOT
Present next school year Preliminary Budget overview to BOT
Modifications continue with state aid, local revenue and expenditure projections
Submit next school year Working Budget document to BOT
- July** Conduct second budget workshop with BOT
Perform final analysis of current school year budgets to estimated year-end expenditures/accruals
Final Budget Review prepared on current school year
- August** Complete Truth In Taxation calculation
Present current school year Final Budget Review to BOT
Submit next school year Proposed Budget to BOT after final budget review
Adopt next school year budget
Adopt next school year tax rate

2.0 Budget Preparation for Campuses

- 2.1 Budget gathering documents are sent to the campuses in February/March for the next fiscal year.
- 2.2 Staff participation in the budget process is required.
 - 2.2.1 It is now a requirement of the Texas Education Code that your Campus Improvement Council (CIC) also participate in the budget process.

3.0 Budget Preparation for Departments and Special Revenue Funds

- 3.1 Budget gathering documents are sent to the departments in February/March for the next fiscal year. Special revenue gathering documents are sent in April/May to allow for receipt of Notice of Grant Awards (NOGA).
- 3.2 Detailed instructions will be provided by the business office regarding the preparation of your budget worksheet.
 - 3.2.1 New program needs should be explained in detail and reference the related accounts.
 - 3.2.2 Salaries and related benefit accounts are calculated by the business office.
 - 3.2.3 Extra pay, part-time pay and substitutes should be budgeted by campus.
 - 3.2.4 If you are proposing to increase the number of positions, please submit detailed explanations and/or justifications to the Superintendent for approval.
- 3.3 Amounts budgeted for professional services should be included on the budget worksheet and properly supported on the form provided in the budget gathering documents.

4.0 Budget Amendments

- 4.1 The budget accounts may be amended/changed from time to time by completing a Budget Change Form. (See Appendix for BCF)
- 4.2 Budget amendments are prepared as needed based on the Budget Change Forms received by the Business Office.
 - 4.2.1 These amendments apply only to 6200, 6300 and 6400 series of object accounts. They may not be used for payroll.

- 4.2.2 To initiate a request for an amendment, the principal/director should complete a Budget Change Form (BCF) and submit it to the business office.
- 4.3 Periodically all budget accounts will be reviewed by the business office. Amendments may be necessary when over or under estimates have been made relative to revenues or expenditures, or when general budgetary cutbacks become necessary.
 - 4.3.1 These types of changes must be approved by the superintendent and will be placed on the next BOT agenda for approval.
 - 4.3.2 The principal/director will be notified of changes to be made to their budget accounts.
- 4.4 When submitting BCF's, please note the following guidelines:
 - 4.4.1 Use the current BCF form.
 - 4.4.2 Review account balances.
 - 4.4.3 Prepare amendments using whole numbers (no pennies), except for special revenue funds needing to spend 100% of grant, and include written explanation for change.
 - 4.4.4 Obtain necessary signatures prior to submission.
 - 4.4.5 The correcting of an actual expenditure (not the budget) that was recorded in the wrong account should be done by a journal entry in Business Office.

5.0 Account Code Structure

- 5.1 The overall account code structure is designed to serve as both an efficient account code facility and a basic management tool. It creates a common language for use in controlling, recording, accumulating and reporting the activities of the school district.
- 5.2 See Account Codes in the Financial Accounting Resource Guide-Module 1: Financial Accounting and Reporting on TEA's website.

DeLeon Independent School District
Business Procedures Manual
Section 4
Donations

1.0 Donations

- 1.1 The District may choose to accept or reject any donation.
- 1.2 Donations valued less than \$1,000 must have superintendent approval.
- 1.3 Donations valued at \$1,000 or more must have Board approval.
- 1.4 All donations shall be provided by the donor with no conditions attached.

DeLeon Independent School District

Business Procedures Manual

Section 5

Cash Receipts

1.0 Cash receipts consist of checks, money orders and cash received from various sources.

- 1.1 Any employee collecting monies should submit money and appropriate documentation for the collection of the money to the campus secretary on a daily basis.
- 1.2 Documentation should include: purpose, from whom it came, individual dollar amount, total money collected, and date and signature of person collecting money.
- 1.3 When the employee submits the collected money to the campus secretary, the secretary will verify the amount collected by counting the money in the presence of the employee. Secretary will initial documentation.
- 1.4 The campus secretary will complete daily a Campus Cash Receipt Form with attached documentation and money received and send to the Business Office.
- 1.5 The Business Office will verify the total on the Campus Cash Receipt Form in the presence of campus secretary. Secretary and Business Office personnel will initial documentation.
- 1.6 The Business Office will complete the Cash Receipt Forms from each campus by entering the appropriate account number to which the funds will be posted in TxEIS.
- 1.7 A deposit slip will be created by the Business Office for the cash received and taken to the bank for deposit.
- 1.8 The time and date stamped deposit slip will be attached to the appropriate Cash Receipt Form.
- 1.9 The cash receipt is entered into TxEIS.
- 1.10 Record cash receipt number generated by TxEIS on deposit slip.

2.0 Returned Checks

- 2.1 Returned checks are checks previously deposited which are returned unpaid by the bank because of insufficient funds, account closed, stop payment, etc.
- 2.2 The bank will send returned checks to the business office who will notify the campus.
 - 2.2.1 No more checks should be accepted from the maker until the check is redeemed.
 - 2.2.2 Immediate action is instrumental in collecting on a returned check.
- 2.3 The business office will contact the maker of the check to obtain payment on the returned check. It must be paid off with cash, cashier's check or money order, not with another check issued by the check maker.
 - 2.3.1 A \$20.00 fee will be charged for all returned checks, including unnecessary stop payments. The \$20.00 fee should be collected along with the payment for the returned check.
 - 2.3.2 A sign should be posted in any area that checks are accepted indicating, "a \$20.00 fee will be charged for all returned checks."
 - 2.3.3 If initial collection efforts fail (verbal or written), the next step is to send a letter by certified mail, return receipt requested.
 - 2.3.4 If you are still unable to collect on the returned check and the amount of the returned check or the accumulation of returned checks from a single maker is \$100.00 or more, send copies of all correspondence such as notes, letters, certified mail receipt, etc. along with the original returned check and a cover letter to the DISD police department. Be sure to include your phone number in the cover letter in case the police department has any questions or needs additional information. Keep a copy of all correspondence for your files.
 - 2.3.5 The police department will determine if and when to involve the District Attorney's office.
- 2.4 When payment is received, prepare a cash receipt (include the number of the original check) for the payment and return the original check to the check maker. Indicate on the cash receipt in the "for" section that it is payment for a returned check.

DeLeon Independent School District

Business Procedures Manual

Section 6

Employee Travel

1.0 Employee Travel

- 1.1 An employee shall be reimbursed for reasonable, allowable expenses incurred in carrying out district business **only** with the prior approval of the employee's immediate supervisor. A Travel Approval Form must be completed.
 - 1.1.1 The Travel Approval Form must be received by the Business Office no later than 10 business days prior to the date of travel.
 - 1.1.2 Accounting records shall accurately reflect that no state or federal funds were used to reimburse travel expenses beyond those authorized for state employees.
 - 1.1.3 For any authorized expense incurred, the employee shall submit a statement, with receipts, documenting actual expenses and in accordance with administrative procedures.
- 1.2 Travel expenses are to be reported on a DeLeon Independent School District (DISD) Travel Voucher Form. The following rules apply to all employees of DISD with reference to travel expense reports:
 - 1.2.1 Travel expenses must be in compliance with District Policy DEE (Local) and DMD (Local).
 - 1.2.2 The completed Travel Voucher Form should be submitted to the Business Office within thirty (30) days of completion of the travel.
 - 1.2.3 Reimbursement will not be made unless all supporting documentation is in order.
 - 1.2.4 Each employee's Travel Voucher Form should include only his/her own expenses. Separate bills should be obtained whenever possible.

- 1.2.5 Receipts for monies expended for railroad, air or bus transportation, hotel accommodations and registration are to be submitted with the Travel Voucher Form as evidence of the expenditures.
- 1.2.6 Miscellaneous expenses for incidentals, amusements, valet parking (unless self-parking not available), non-business telephone calls, or any other unauthorized expense will not be approved for reimbursement.
- 1.2.7 The “Other Expenses field” on the Travel Voucher Form is for requesting reimbursement for baggage handling, airport or hotel parking fees, taxi fares, etc., that are often associated with the conduct of official school business. Receipts are required.
- 1.2.8 Membership dues included as part of the convention/conference registration are the responsibility of the individual employee unless the membership involves student competition or there is a registration fee reduction when two or more DISD representatives attend the same conference that equals or exceeds the membership dues.

2.0 Travel Request Authorization

- 2.1 The Travel Approval Form must be completely filled out. The total travel expenses should reflect the entire estimated amount of expenses for travel.
- 2.2 Employees using budgeted funds or activity funds for attendance to a convention/conference should forward the completed Travel Approval Form to the appropriate administrator for approval, who then forwards the request to the Business Office for final approval and processing.
- 2.3 Principals should forward their Travel Approval Form to the Business Office for final approval and processing.
- 2.4 Travel using funds other than budgeted funds or activity funds (i.e. grants/special revenue funds), must have the approval of the administrator with jurisdiction over those funds prior to forwarding to the Business Office for final approval and processing.

- 2.5 The budget code to be charged for travel expenses must be indicated on the Travel Approval Form.
- 2.6 Once the travel request is approved by the Business Office, a travel packet is sent to the employee approximately 10 days prior to travel. The forms included in the travel packet are:
 - 2.7.1 DeLeon Independent School District Travel Voucher Form
 - 2.7.2 Texas Hotel Occupancy Tax Exemption Certificate.
 - 2.7.3 Motor Vehicle Rental Exemption Certificate for sales tax exemption on rental vehicles.
 - 2.7.4 Travel Expense Report Checklist

3.0 Travel Advances

- 3.1 Travel advances are only allowed when students are involved.

4.0 Registration Only or Registration and Mileage Only Expenses

- 4.1 Submit the completed Travel Approval Form approved by the principal along with the documentation showing the amount of the registration fee to the Business Office for approval. This form will be returned so that it can be included with the Payment Authorization requesting reimbursement or payment to the vendor.
- 4.2 For advance registration, submit a Payment Authorization Form payable to the vendor along with the Travel Approval Form, approved by the principal, and the original and a copy of the registration form. This original registration form will be mailed with payment to the vendor. Indicate on the front of the Payment Authorization Form that the registration form should be sent with the check.
- 4.3 When an informal purchase order number (which is obtained from the business office) is used for advance registrations and upon receipt of the original invoice, submit it with a Payment Authorization request and the approved Travel Approval Form for payment to the vendor.

- 4.4 If the employee has personally paid for the conference/workshop, request for registration reimbursement must be submitted on a Payment Authorization Form along with the approved Travel Approval Form, original paid receipt, and proof of attendance. However, if the employee has also been approved to receive mileage reimbursement, a Travel Voucher Form will be sent to the employee from the Business Office to request reimbursement for their registration and mileage expenses.
- 4.4.1 If the original paid receipt is not provided, a copy of the front and back of the employee's cancelled personal check, a copy of the conference flyer (which shows the registration fee) and proof of attendance must be provided.
- 4.4.2 Or, if the original paid receipt is not provided and the payment was made by credit card or debit card, a copy of the employee's credit/debit statement showing the expense incurred by the traveler, a copy of the conference flyer (which shows the registration fee), and proof of attendance must be provided.
- 4.4.3 Registration through the Internet will need the same documentation as 4.4.2 above.
- 4.5 When registration has been paid out of activity funds and will be reimbursed by district funds, submit a Payment Authorization Form approved by the principal along with the front and back of cancelled activity fund's check, registration form, proof of attendance and Travel Approval Form to the Business Office.

5.0 Meal Allowances

- 5.1 Reimbursement for meals will not be allowed unless there is an overnight stay.
- 5.2 District, State and Federal Funds:
- 5.2.1 Meal rates allowable are found by going to the U.S. General Services Administration's (GSA) website at www.gsa.gov. The district will reimburse an employee actual cost up to the allowable maximum. The maximum allowable includes gratuities. If the destination is in Texas and is not listed on the GSA site, the posted allowable rates on the Comptroller's website are to be used. Receipts need to be turned into the business office.
- 5.2.2 On travel days, actual cost up to 75% of the allowable cost may be reimbursed.
- 5.2.3 If a meal is provided at a function being attended, such as a banquet included in the conference registration, that meal will not be eligible for reimbursement.

- 5.2.4 Alcoholic beverages shall not be consumed during regular business hours when on official school business. Charges of any alcoholic beverages are the responsibility of the employee.

6.0 Lodging

- 6.1 Reservations through the Internet are acceptable under the following guidelines:
 - 6.1.1 Reservations by this method are charged state sales tax and a mandatory processing fee. Total amount must be equivalent to or less than the allowable rate in order to be reimbursed the total amount.
 - 6.1.2 A “Print Screen” of the reservation is required for reimbursement. If available, obtain the room rate and an itemized receipt from the hotel.
 - 6.1.3 A copy of the employee’s credit card statement showing the employee incurred these charges is necessary for reimbursement.
- 6.2 In Texas, a Hotel Tax Exemption Certificate must accompany payment to the hotel to avoid paying state taxes. This certificate may be picked up from the business office.
 - 6.2.1 When checking into the hotel, provide the clerk with the Hotel Tax Exemption Certificate.
 - 6.2.2 Upon checkout, review the billing to ensure that state sales tax was not charged.
 - 6.2.3 The DISD will not provide reimbursement for state sales tax (unless traveling outside of Texas).
 - 6.2.4 County and municipal hotel occupancy taxes may be reimbursed.
- 6.3 District, State and Federal Funds:
 - 6.3.1 Hotel rates vary, and every effort should be made to obtain the most economical and practical accommodations available considering the purpose of the meeting.
 - 6.3.2 Lodging rates allowable are found by going to the U.S. General Services Administration’s (GSA) website at www.gsa.gov. The district will reimbursement an employee actual cost up to the allowable maximum. If the destination is in Texas and is not listed on the GSA site, the posted allowable rates on the Comptroller’s website are to be used.
 - 6.3.3 Original, itemized receipts are required.

6.3.4 Amounts in excess of the above limits are the responsibility of the employee.

7.0 Transportation

- 7.1 When an employee uses his/her personal vehicle on official school business, mileage is reimbursed if the school vehicle was requested first.
- 7.2 The maximum allowable for travel on official school business may not exceed the amount of the standard airline fare to that location.
- 7.3 The mode of transportation is the one in the district's best interest. It should be the most cost effective mode.
- 7.4 First-class airline travel will not be permitted. Airline receipts are required.
- 7.5 Contact the business office before making any airline reservations.
- 7.6 Reservations through the Internet are acceptable under the following guidelines:
 - 7.6.1 A "Print Screen" of the reservation is required for reimbursement.
 - 7.6.2 A copy of the employee's credit card statement showing the employee incurred these charges is necessary for reimbursement.
- 7.7 Toll road fees may only be reimbursed in the instance that the toll road is the most cost effective or efficient route. Official toll road receipts and written justification must be provided as support for the reimbursement.
- 7.8 The rate of reimbursement for the employee's personally owned motor vehicle is based on the state-approved rate. Except for the cost of airport parking incurred while on official business or parking fees required for transaction of school business, no additional expense incidental to the operation of such motor vehicles shall be allowed.
- 7.9 Receipts are required for monies expended for railroad, air, taxi, parking fees, etc.
- 7.10 MapQuest should be used for computing miles traveled by automobile.

8.0 Use of Personal Vehicle for DISD Business

- 8.1 The Travel Voucher Form must be completed by employees to claim approved mileage reimbursement. This information comes from MapQuest.
 - 8.1.1 The intent of the mileage reimbursement is to reimburse for all **actual business miles driven** in excess of the commuting miles from your home

to your primary work location and back. If there are no miles driven in excess of normal commuting miles, no reimbursement is due.

- 8.1.2 All mileage reported should be based on MapQuest.
 - 8.1.3 Never report miles driven to and from home to your primary work location.
 - 8.1.4 If you begin your workday at your primary work location, begin reporting miles from that point using MapQuest.
 - 8.1.5 If you begin your workday at a temporary work location, you may report miles from your home to that location or miles from your primary work location to that location, whichever results in the shortest travel distance reported.
 - 8.1.6 Record the miles from each work location to the next using MapQuest.
 - 8.1.7 If you end your workday at a temporary work location, you may report miles from your location to your primary work location or to your home, whichever results in the shortest travel distance reported.
 - 8.1.8 The signature of the supervisor on the Travel Voucher Form indicates that the report has been verified for the validity of the activity and that payment is authorized.
- 8.2 When an employee uses his/her personal vehicle and is reimbursed for mileage, reimbursement is not made for gasoline since it is already included in the mileage rate allotted.
- 8.2.1 The odometer readings should be used to request reimbursement for travel between DISD locations
- 8.3 When a DISD employee drives his/her personally owned vehicle, no matter how many passengers, the primary policy of coverage will be his/her own auto policy. The employee's personal auto policy will be fully utilized for any and all comprehensive, collision, or liability claims. If a lawsuit is brought against the employee and/or the school district, the employee's personal auto policy will settle and/or defend all parties involved. The Texas Tort Law limits the amount of employee's liability to \$100,000.

9.0 Rental of Vehicle for DISD Business

- 9.1 For information regarding rentals, contact the business office.
- 9.2 DISD is exempt from paying state sales tax in Texas when renting a vehicle for business purposes.

- 9.3 Gasoline expense is reimbursable when using a rental car. A receipt is required for reimbursement.
- 9.4 The DISD Automobile Insurance Policy (AP) will cover all liability and physical damage if the DISD driver is at fault. If the other driver is at fault, then his/her auto policy should be primary.
 - 9.4.1 The DISD AP does not cover other physical damage caused by national disaster, vandalism or theft. The additional coverage offered by the rental company would pay for those damages.
 - 9.4.2 All vehicle rentals will be done through the business office.

10.0 Spouse/Children Accompanying Traveler

- 10.1 In cases where the spouse/children, who are not on official school business, accompany the school official or employee, no expenses for the spouse/children may be included.
 - 10.1.1 Only single standard room rates are to be included in the request for reimbursement. For example, if a double room costs \$85.00 per night, and a single room costs \$75.00 per night, the employee will be reimbursed at the \$75.00 rate if the room is shared with the spouse/children.
- 10.2 It is not permissible to charge any expenses for the spouse/children to DISD and later reimburse the district.

11.0 Mileage Only Expense

- 11.1 If mileage is the only expense requested for reimbursement, please submit on the Travel Voucher Form.
- 11.2 Reimbursement will be made up to the state-approved rate and must be in compliance with 8.0 above. Toll road fees may only be reimbursed in the instance that the toll road is the most cost effective or efficient method. Official toll road receipts and written justification must be provided as support for the reimbursement.

DeLeon Independent School District

Business Procedures Manual

Section 7

Student Travel

1.0 Student Travel - General Instructions

1.1 All DISD student travel should be in compliance with District Policies.

2.0 Overnight Trips by Students

2.1 All individuals and groups representing the DISD in competition requiring an overnight trip must receive advance written approval from the school principal.

2.2 Each student and parent/guardian will be required to sign the supporting documents that will include a liability waiver, comments regarding conduct requirements, adequacy of chaperones, and other appropriate data.

2.3 The principal/director's office should be provided with a list of all students, teacher/sponsors, parents etc. as well as the itinerary.

2.4 Parent/guardian expenses cannot be borne by the school district unless there is a financial hardship, which will be considered on a case-by-case basis by the principal.

3.0 Meal Allowance for Student Related Trips (In-State)

3.1 Students and sponsors/coaches (DISD employees) taking a single day trip will be provided a maximum of \$8.00 for breakfast, \$10.00 for lunch, and up to \$10.00 for dinner, unless otherwise authorized. Receipts should be turned into the business office.

3.2 Students taking a trip requiring an overnight stay will be provided a maximum of \$8.00 for breakfast, \$10.00 for lunch, and up to \$10.00 for dinner, unless otherwise authorized. Receipts should be turned into the business office.

- 3.3 Sponsors/coaches (DISD employees) accompanying students on an overnight trip should refer to Employee Travel, Section 5.0 for meal allowances. Receipts should be turned into the business office.

4.0 Meal Allowance for Student Related Trips (Out-of-State)

- 4.1 Students taking a trip requiring an overnight stay out-of-state will be provided a maximum of \$30.00 per day. Receipts should be turned into the business office.
- 4.2 Sponsors/coaches (DISD employees) accompanying students on an overnight trip out-of-state should refer to Employee Travel, Section 5.0 for meal allowances.

5.0 Approval Required

- 5.1 Student travel paid from campus budgets requires principal's approval only.
- 5.2 Student travel paid from departmental budgets requires the approval of the principal.

6.0 Advances for Student Travel

- 6.1 **Advances for Student Travel should be processed using the appropriate Student Travel Request Form for registration, lodging, meal expenses, rental expense, and miscellaneous expenses accompanied by a Payment Authorization. Sponsor/coaches should obtain proper original receipts for above items including parking and gasoline and submit to their principal or the appropriate administrator upon return, who will forward to the Business Office for back up of advanced check.**
- 6.2 Record attendees on back of the Student Travel Request Form along with number of meals needed.
- 6.3 Literature showing the amount of registration should accompany the Payment Authorization.
- 6.4 Sales Tax Exemption forms for lodging and vehicle rental must be used to avoid being charged the sales tax.

6.5 Cash Advance for Meals for Students and Sponsors/Coaches

6.5.1 A Payment Authorization with proper approval should be sent to the Business Office to process in the regularly scheduled check run. A breakdown of all meals and a list of students and sponsors/coaches attending must be attached for proper support. The Payment Authorization should be made payable to one of the sponsors/coaches traveling so that the sponsor/coach can go to the bank to cash the check rather than the principal of the school.

6.6 Cash Advance for Lodging for Students and Sponsors/Coaches

6.6.1 A Payment Authorization Form pay with proper approval should be sent to the Business Office to process in the regularly scheduled check run. A breakdown with the number of rooms, room rates, and a list of students and sponsor/coaches traveling must be attached for proper support. The Payment Authorization should be made payable to the hotel, when possible, to cut down on paperwork. After proper approval is acquired, the Payment Authorization should be sent to the Business Office for processing.

6.6.2 At times it has been necessary for the principal to use his credit card to pay lodging for student travel. When this happens, a Payment Authorization to the principal is acceptable. A copy of the receipt from the hotel must accompany the Payment Authorization along with a list of students and sponsor/coaches traveling. After proper approval is acquired, the Payment Authorization pay should be sent to the Business Office for processing.

6.7 Cash Advance for Car/Van Rental

6.7.1 A Payment Authorization with proper approval should be sent to the Business Office to process in the regularly scheduled check run. An original invoice from the rental company must be attached for proper support. The Payment Authorization should be made payable to the rental company, when possible, to cut down on paperwork.

6.7.2 At times is has been necessary for the principal to use his credit card to pay for car/van rental expenses. When this happens, a Payment Authorization to the principal is acceptable. A copy of the receipt from the rental company must accompany the Payment Authorization. After proper approval, the Payment Authorization should be sent to the Business Office for processing.

- 6.7.3 Some rental companies will invoice DISD for the rental fees. A Payment Authorization with proper approval and the original invoice must be prepared and sent to the Business Office to process in the regularly scheduled check run.

7.0 Transportation

7.1 Reimbursement for mileage when the employee uses his/her personally owned vehicle will be at the state-approved rate. The employee must request the school vehicle first. If a school car is not available, then the employee is eligible for reimbursement. Request for reimbursement should be submitted on a Travel Voucher Form.

7.2 Toll road fees may only be reimbursed in the instance that the toll road is the most cost effective or efficient route. Official toll road receipts and written justification must be provided as support for the reimbursement.

7.3 When a DISD employee drives his/her personally owned vehicle, no matter how many passengers, the primary policy of coverage will be his/her own auto policy. The employee's personal auto policy will be fully utilized for any and all comprehensive, collision, or liability claims. If a lawsuit is brought against the employee and/or the school district, the employee's personal auto policy will settle and/or defend all parties involved. The Texas Tort Law limits the amount of employee's liability up to \$100,000.

7.4 Contact the business office before making airline reservations.

8.0 Vehicle Rental for Student Travel to Competitions

8.1 For information regarding rentals, contact the business office.

8.2 Contact the business office for bid information for charter bus service for non-school bus travel.

8.3 A school or school system may not purchase or lease a new 15-passenger van if it will be used significantly by, or on behalf of, the school or school system to transport pre-primary, primary, or secondary school students to or from school or an event related to school, unless the 15-passenger van complies with the motor vehicle standards prescribed for school buses and multifunction school activity buses.

- 8.4 DISD is exempt from the Texas state sales tax, sometimes referred to as motor vehicle tax; however, out-of-state tax is not exempt.
- 8.5 DISD is not exempt from property rental tax.
- 8.6 The DISD Auto Insurance Policy (AP) will cover all liability and physical damage if the DISD driver is at fault. If the other driver is at fault, then his/her auto policy should be primary.
 - 8.6.1 The DISD AP does not cover other physical damage caused by national disaster, vandalism or theft. The additional coverage offered by the rental company would pay for those damages. However, if renting a vehicle **out-of-state**, please **buy** the additional coverage offered by the rental company to avoid any problems.
 - 8.6.2 All vehicle rentals should be made through the Business Office.
- 9.0 Reimbursement to Sponsors/Coaches or Reimbursement to DISD from Sponsors/Coaches from Advances for Student Travel
 - 9.1 **After the competition, submit documentation to include a list of attendees, original receipts for lodging, car rental, gasoline and other miscellaneous expenses as backup documentation for money previously advanced. Forward the documentation along with the expense report/student travel request to your principal for approval who will then forward to the Business Office.**
 - 9.2 **If the sponsor/coach had expenses exceeding the amount of the advance, a Request for Payment Authorization must accompany the above documentation for the sponsor/coach to be issued a reimbursement.**
 - 9.3 **If the expenses were less than the money previously advanced, either cash or a personal check from the employee payable to DISD must accompany the above documentation within seven (7) days of the trip.**

DeLeon Independent School District

Business Procedures Manual

Section 8

State and Federal Program Reporting

1.0 General Information

- 1.1 Special revenue/grant funds are provided by the federal government, state government or local sources.
- 1.2 A Pre-Acquisition Form must be completed and approved before any expenditure of special revenue or grant funds.
- 1.3 These funds are legally restricted to expenditures for specified purposes as determined by a Comprehensive Needs Assessment and the Application.
- 1.4 Applications for grants must be in compliance with District policies and administrative directives.
 - 1.4.1 Before applying for a grant that requires matching funds, the applicant must obtain approval from the business office.
- 1.5 If a grant is awarded to the District, to a campus, or to a department, the program contact must immediately provide the following items to the business office:**
 - 1.5.1 Grant application with proper approval**
 - 1.5.2 Grant guidelines**
 - 1.5.3 Grant budget**
 - 1.5.4 Grant timeline, including reporting dates for program and financial reports**

- 1.6 The program director of a particular grant is responsible for compliance with the grant and proper program reporting to state and federal agencies.
- 1.7 The business office is responsible for grant expenditure reporting.
- 1.8 The program director must be familiar with the grant and timeline as it relates to (not all inclusive):
 - 1.8.1 Budget
 - 1.8.2 Expenditure verification
 - 1.8.3 Beginning and ending dates
 - 1.8.4 First and last date funds can be spent (varies by grant)
 - 1.8.5 Final day for receiving encumbered items (varies by grant)
 - 1.8.6 Final report due date
- 1.9 The appropriate information must be provided to the business office on a timely basis to ensure that all cash receipts and cash disbursements for state and federal programs are properly recorded and reported for each program's current fiscal year.

2.0 Salary Accruals

- 2.1 All salary accruals (for work performed during the grant period) must be calculated based on each employee's total salaries, wages, applicable benefits and taxes, less the amount of payments each employee has actually received as of the last day of each program's fiscal year. **Verification of this data is essential. The business office** will verify salary information including first and last day of employment with each program director before calculating salary accruals.

3.0 Salary Accruals – Summer School Teachers

- 3.1 Special attention should be given to summer school teacher salaries and related expenditures. Since their salaries may relate directly to the expiration of a program, and/or even cross program fiscal years, timelines for reporting

expenditures for them is very important to submitting accurate fiscal year end reports.

4.0 Purchase Orders

- 4.1 Cut-off dates for purchase orders should ensure that all materials are received in time to be properly recorded. Purchasing requirements and procedures vary among programs. **Each program director should monitor this activity to ensure compliance with the program's intent.**

5.0 Expenditure Verification

- 5.1 Program directors should monitor financial activity in TxEIS.
 - 5.1.1 Actual receipts and expenditures should be verified.
 - 5.1.2 Budget amendments must be requested and approved before expenditures that exceed applicable limits are incurred.
 - 5.1.3 If there are any corrections, please send them to the business office as soon as possible, but no later than the last day of the program's fiscal year end. This will allow time for adjustments to be made prior to submission of the Final Expenditure Report.

6.0 Twelve-month Employees

- 6.1 It is the responsibility of the principal to notify the business office when budget coding for employee compensation changes. Fund numbers for federal programs may change effective July 1. Budget coding for twelve-month employees should be updated before processing of July payroll.

DeLeon Independent School District

Business Procedures Manual

Section 9

Sales Tax Rules

1.0 Purchases

1.1 All purchases made for the exclusive use of the district should be made tax exempt. A Texas Sales and Use Tax Exemption Certificate Form should be issued to the vendor.

1.1.1 A Texas Sales and Use Tax Exemption Certificate Form can be obtained from the business office.

1.1.2 When reimbursing a district employee for purchases made on behalf of and for the exclusive use of the district, sales taxes should not be reimbursed to that person. To keep a person who makes the purchases from having to absorb the sales tax, complete and give them a Texas Sales and Use Tax Exemption Certificate Form before they make the purchase.

1.2 PTO's, booster clubs, and associates are prohibited from using the district's sales tax permit number. These groups should apply for their own sales tax permit number. These groups are responsible for collecting, reporting and remitting their own sales tax to the state.

2.0 Lodging

2.1 District employees and students traveling on official district business should issue a Hotel Tax Exemption Certificate Form to the hotel/motel in lieu of paying the state hotel occupancy tax.

2.2 The hotel exemption exempts only the state portion of hotel occupancy taxes. The city and county taxes should be paid by the employee and will be reimbursed.

3.0 Motor Vehicle Rental

- 3.1 District employees traveling on official district business should issue a Motor Vehicle Certificate for Rental Tax Form to the rental agency in lieu of paying sales tax.
- 3.2 Mark “*A Public Agency*” as the reason for claiming an exemption.

4.0 Out-of-State Purchases

- 4.1 Whether items are purchased in-state or out-of-state, does not determine if a transaction is taxable or not taxable. An out-of-state vendor might be required to collect sales tax at the time of sale. It is recommended to make all purchases tax exempt where practicable. This helps prevent duplicate payment of sales taxes. However, if an out-of-state vendor insists on being paid sales tax at the time of purchase, it should be done.

DeLeon Independent School District

Business Procedures Manual

Section 10

Payroll

1.0 Establishing a New Employee for Payroll Purposes

- 1.1 Each supervisor employing a new employee must complete a Personnel Action Notice form.
 - 1.1.1 Attach completed application packet including transcripts, service record, and teaching certificate.
- 1.2 The completed Personnel Action Notice form is sent to the Personnel/Business Office for verification.
- 1.3 The employee must complete an I-9, W-4, and SSA 1945 form if appropriate.
 - 1.3.1 The employee must submit a copy of his/her social security card.
 - 1.3.2 The employee must submit a copy of his/her driver's license.
 - 1.3.3 The employee must be fingerprinted or show evidence of required fingerprinting.
- 1.4 The Personnel Action Notice form is matched with the documents previously listed. If there is a variation in the information provided, the employee is contacted for correction.
 - 1.4.1 Once information is verified to be accurate, it is entered into TxEIS for future payroll processing.

2.0 Authorization Agreement for Direct Deposit

- 2.1 Employees may enroll in the Direct Deposit Program.
- 2.2 Employees must complete the Direct Deposit Authorization Agreement for automatic deposit.
 - 2.2.1 This will provide the employee's bank transit number, account number, and account type to the business office.

2.2.2 In order to reduce the possibility of identity theft, this form must be delivered to the business office in person.

3.0 Employee Extra Pay Request

3.1 Obtain blank Extra Pay Request forms from business office and complete the form.

3.1.1 The supervisor requesting services should sign and date before the employee to be paid performs the services.

4.0 Payroll Deduction Agreement

4.1 Obtain blank Payroll Deduction Agreement forms from the business office and complete the form as follows:

4.1.1 *Employee Name:* Enter the name of the employee requesting the deduction.

4.1.2 *Social Security Number:* Enter the social security number of the employee.

4.1.3 *Department:* Enter name of the school/department of the employee.

4.1.4 *Type of Deduction:* Enter the type of deduction the employee is requesting. Example: DeLeon Foundation

4.1.5 *Frequency:* Enter the frequency of the deduction requested. All deductions will be semimonthly with the exception of contributions, which may be one-time only.

4.1.6 *Position:* Enter the position of the employee.

4.1.7 *Dollar Amount:* Enter the dollar amount to be deducted **from each paycheck**. Example: \$15.00

4.1.8 *Beginning Date:* Enter the date on which the employee wants this amount to begin being deducted from their paycheck. Please note that the payroll department requires this form to be received at least 10 days before this date to insure proper processing of this deduction.

- 4.1.9 *Budget Codes:* Enter the budget and account code completely if this deduction is for a reimbursement to DeLeon ISD.
- 4.1.10 *Signature/Date:* The employee requesting this deduction **must** sign and date this line.
- 4.1.11 *Status:* Indicate whether this is a new deduction or a change to an existing deduction.
- 4.1.12 Submit to business office.

5.0 Distribution of Paychecks

5.1 Payroll Calendar:

- 5.1.1 Employees are paid on the 25th of each month unless that date falls on a weekend or holiday.
- 5.1.2 If the normal pay date falls on a weekend or holiday, pay checks are normally distributed the first business day prior to the 25th.
- 5.1.3 The business office must have Extra Pay Requests and Substitute Pay Requests by the 10th of the month. These requests must have the correct budget account number to charge, proper approvals in compliance with the fiscal authorization form and must be signed.

5.2 Campus Paychecks:

- 5.2.1 Wage and earning statements will be emailed to the employee. The email address on record will be used. Wage and earning statements for employees that do not have an email address will be kept in the business office.
- 5.2.2 Approval signatures will be obtained on a sign in sheet before paychecks and direct deposit vouchers will be released.
- 5.2.3 Verification of paychecks and direct deposit vouchers against the list must be made before they leave the business office.

5.3 Non-Distributed Paychecks and Direct Deposit Vouchers:

5.3.1 The appropriate campus supervisor must secure any paycheck or direct deposit voucher issued to an employee who is known to be absent on payday until the employee returns to campus. If the employee does not return, the paycheck or direct deposit voucher should be sent back to the business office.

5.3.2 Any paycheck or direct deposit voucher for an employee who has been terminated, transferred or is on leave of absence, should be returned to the business office immediately.

5.4.3 NO PAYCHECK OR DIRECT DEPOSIT VOUCHER ARE EVER TO BE GIVEN TO ANY OTHER PERSON UNLESS THEY HAVE A WRITTEN NOTE FROM THE EMPLOYEE AND PROPER IDENTIFICATION.

5.4 Miscellaneous Paychecks and Direct Deposit Vouchers Procedures:

5.4.1 Employee must contact principal or supervisor if a check or direct deposit voucher was not received.

5.4.2 The administrator or designee should notify the business office immediately.

5.4.3 Campus paychecks and direct deposit vouchers will be mailed to the employee's home address from the period of June to July of each year.

5.4.4 Substitute checks that are not direct deposited will be mailed by the Business Office.

5.4.5 An employee may be responsible for any stop payment charges.

6.0 Time Sheet/Card Procedures

6.1 All non-exempt employees should accurately record all time transactions.

6.2 Actual hours worked should be recorded by rounding to the nearest ¼ hour per table below.

Rounding Table

0-7 minutes report as an even hour (part of last completed hour)

8-24 minutes report as a quarter hour

25-37 minutes report as a half hour

38-52 minutes report as a three quarter hour

53-60 minutes report as an even hour

- 6.3 Calculate the totals for each day and week.
- 6.4 Employees must indicate in and out times for lunch or other breaks in the workday in excess of 15 minutes.
- 6.5 Supervisors must approve all variations from standard work schedule in advance.
- 6.6 If an employee is eligible for overtime compensation and works more than 40 hours during the regularly scheduled work week, he/she has the option to receive pay at the rate of time and a half or compensatory time at time and a half.
 - 6.6.1 Straight time will be earned for holiday days worked, unless the weekly total of hours worked exceeds 40 hours.
 - 6.6.2 If an employee works on Thanksgiving Day, Christmas Day, New Years Day, Labor Day, or Independence Day, he/she will be paid double time.
- 6.7 Overtime Pay
 - 6.7.1 With the approval of supervisor, hours in excess of 40 per week physically worked (no vacation or sick time during that period) may be requested for pay on an Extra Pay Request form.
 - 6.7.2 Overtime pay will be established at the rate of time and one-half.
 - 6.7.3 Forward fully completed Extra Pay Request form to the business office for payment within thirty (30) days of the duty.
- 6.8 **Compensatory Time:**
 - 6.8.1 **One hour of overtime is equal to one and one-half hours of compensatory time.**
 - 6.8.2 **Requests to use compensatory time are subject to the approval of the immediate supervisor.**
 - 6.8.3 **The employee may be paid for overtime if the work schedule would not permit compensatory time off.**

DeLeon Independent School District

Business Procedures Manual

Section 11

Capital Assets

1.0 Capital Assets

- 1.1 Capital Assets are defined as any equipment, furniture, machinery, etc. (minor equipment), which cost or has an estimated value of **\$5000.00 or more** and has a useful life of **one year or more**.
- 1.2 Near year end, the business office reviews purchases for items costing \$5,000 or more.
- 1.3 Any asset purchase of \$5,000 or more is entered into the Asset Management in TxEIS.
- 1.4 If the asset has been sold, the disposal of the asset is also recorded in the Asset Management in TxEIS by the business office.

2.0 Acquisition of Capital Assets

- 2.1 All equipment, furniture, machinery, etc. in a building purchased with school district, activity, parent organizations funds, or by donation becomes the **property of the DeLeon ISD (DISD)**.
- 2.2 Capital Assets can be acquired by a school or department in the following ways:
 - 2.2.1 **Purchases through district funds** – When items are purchased through the district’s standard purchasing procedures, a fixed asset tag will be issued and affixed to the item when it is received in the business office. The capital asset tag number and information is entered into the Asset Management in TxEIS.
 - 2.2.2 **Donations** – The principal/department head is responsible for reporting donations to the district’s business office. A fixed asset tag will then be affixed to the item and the information will be entered into Capital Assets system.

3.0 Disposition of Capital Assets

- 3.1 The School Property Disposition form should be used when disposing of any school district property. The completed form with the administrator's signature should be forwarded to the business office. The form can be found in the business office.
 - 3.1.1 It is the responsibility of the originator to complete the School Property Disposition form in order to have worn, obsolete, or damaged items removed from the school or office location.
 - 3.1.2 The originator should provide sufficient information pertaining to the nature of the items in order to assist the business office in providing efficient pick up and delivery.
 - 3.1.3 The principal/department head must sign as the requesting administrator indicating approval.
 - 3.1.4 Forward the original to the business office for final approval and scheduling of the pickup. The originator should retain one copy of the School Property Disposition form.
 - 3.1.5 All materials requested for removal should be relocated to the designated pickup area within the school in order to avoid pickup delays and classroom disruption. If relocation is not possible or practical, contact the business office to make special arrangements.
 - 3.1.6 Marking pens or other devices should not be used to mark on surplus or auction items. This could render the item(s) unfit for future use or resale. Condition or operating description should be noted on the School Property Disposition form or on a sheet of paper attached to the item.
 - 3.1.7 Disposition items may be re-issued to any DISD employee for use in an official capacity.

3.2 The Declaration of Surplus Furniture form should be used for declaring surplus serviceable furniture that is no longer needed by a particular department/school. The completed form with the administrator's signature should be forwarded to the business office. This form can be found in the business office.

3.2.1 Serviceable furniture is any material considered to be in good condition and reusable.

3.2.2 The business office will schedule a pickup after receiving the Surplus Furniture form.

3.2.3 To acquire surplus items, contact the business office.

3.2.4 Requests for item(s) are on a first come, first served basis.

4.0 Pickup and Redelivery of Material

4.1 When there is a requirement to move an item(s) from one location to another contact the business office.

5.0 Physical Inventory

5.1 In accordance with Governmental Accounting Standards Board (GASB) and Texas Education Agency (TEA) guidelines, the DISD must conduct an annual physical inventory of all land, buildings, machinery, furniture and equipment and entered into TxEIS asset management system.

5.2 A report that lists any inventory on your campus/department that meets the above criteria according to TxEIS fixed asset records will be sent to the principal/director for verification after August 31st each year.