

**MISSION CONSOLIDATED INDEPENDENT SCHOOL DISTRICT**  
**STUDENT ACTIVITY FUNDS MANUAL**

**2012-2013**

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## **SECTION 1: GENERAL INFORMATION**

### **1.1 *General Principles Governing Activity Funds***

Activity Funds are necessary, primarily because of the nature of the group generating the funds. For example, funds raised by a student-governed club belong to the students of that club; thus, the district has custodial responsibility and the club sponsors have fiduciary capacity responsibility. Similarly, it is often desirable to segregate funds generated by a campus as a whole to ensure that the funds are spent for the benefit of that campus.

There are two kinds of activity funds: Student Activity Funds are related to a specific club or class, and all decision-making for these funds rest with the group. Campus Activity Funds are generated by the campus as a whole, and must be spent in such a manner to benefit the campus. The District has set some strict guidelines with respect to the expenditure of these two funds. Club sponsors must become familiar with the District's limitations in this regard.

The District exercises responsibility over student activity funds; that is, it serves in a custodial, or "caretaker" role for the student group's money, and the club sponsors serve in a fiduciary capacity. All decisions regarding revenue generation and expenditure authorization rest with the students. The District exercises the authority only insofar as it safeguards the assets of the group.

In contrast, the District exercises managerial authority over Campus Activity Funds, usually through the campus principal. In this role, the principal authorizes both the revenue and expenditure activities consistent with the district's policy. The District's financial management personnel certify the availability of funds and the accuracy of budget coding, as with all budgeted funds.

### **1.2 *Definition and Purpose of Activity Funds***

Student Activity Funds, as referred to in this manual, are defined as "funds consisting of resources received and held by each school to be expended or invested in accordance with conditions of the fund." Specifically, they are all monies accumulated from the collection of student fees and District approved money-raising activities. Activity funds are used to promote the general welfare of each school and the educational development and morale of students.

Each school shall have and maintain a Campus Activity Fund within the Special Revenue Fund of the District. This Special Revenue Fund classification is to be used to account for transactions related to a principal's activity fund if the monies generated are not subject to recall by the school district's board of trustees into the General Fund. Secondary schools may maintain a Student Activity Fund within the Trust and Agency Fund. Agency Funds are custodial in nature; this classification is used as an agency account for student "club" funds or "class" funds. A distinction is made between activities benefiting student groups (Student Activity Funds) and activities benefiting the District (Campus Activity Fund).

### **1.3 *Administering Activity Funds***

The administrative policy of these funds shall be that income received for a specific function shall be disbursed only for that function. However, if unusual circumstances occur, the school

principal, with permission of the superintendent or a designee, may reallocate funds to the general function.

The campus principal shall ensure that any liabilities of defunct organizations are liquidated. Any remaining assets of the defunct organizations shall be transferred to the general activity of the campus. Prior to dissolution, the soon-to-be defunct organization may decide how the assets should be transferred.

The balance remaining at year-end shall not exceed a reasonable amount that may be necessary to begin the new year. As is noted earlier, if the funds have been expensed for their intended purpose, the balance at year-end should be of a minimal amount. If the balance for Campus Activity Funds (Fund 461) remaining at year-end is greater than \$10,000 for elementary campuses, \$15,000 for jr. high campuses, or \$20,000 for high schools, a written plan or explanation of how those monies will be spent is required.

#### **1.4 Definition and Management of Student Groups**

A student group can best be defined as a formal, organized, responsible group made up of and governed by students. The group has officers, bylaws and/or a constitution, and is responsible for its actions. A charter for each student group must be approved annually. Student groups should have a sponsor who is a school staff member and may or may not be affiliated with a state or national organization. By contrast, it is not a non-structured group of students, an instructional class or group, nor a teacher-run group of students who do not have control or authority over the group. An example of a student group would be a student council and an example of a group that is not a student group would be an athletic team.

Management of student groups has three important elements: recognition, organization, and a plan of activities.

Recognition of the student groups should be by the school and the District. The purpose of recognition is to ensure that no unauthorized groups are in operation, to standardize the organizations within the District and to ensure that the groups are properly classified as student run groups or as other groups.

Organized student groups should have a set of by-laws and/or a constitution and must have a charter approved by the principal annually. These documents are required to be on file with the student activity fund clerk. A current list of officers should also be on file, as well as the sponsor's name. This will allow the principal to monitor the activities of all groups and communicate with these groups more easily.

The existence of a student group implies that the group has a purpose, which will be stated in the group's charter. Beyond this, the group should have a plan that outlines its activities for the year. Service projects, major fundraisers, and other activities should be spelled out in the plan. This will ensure that the group is fulfilling its stated purpose as well as allowing the administration to eliminate conflicts and duplication of efforts by different groups.

#### **1.5 Responsibility for Activity Funds**

The principal of the school shall be responsible for the proper administration of each organization's funds in accordance with state and local law, District-approved accounting practices and procedures, and the requirements as stipulated by Texas Education Agency.

The campus principal is directly responsible for the proper collection and disbursement of all school activity monies relative to the fund on his/her campus. Decisions on the use of the funds collected by student groups are the responsibility of the respective student group, with principal approval, as long as this does not conflict with Board Policy and/or legal restrictions. The principal's responsibility includes providing for the safekeeping and deposit of funds in the school and disbursing funds for any legal purpose with the guidelines or policies of the fund as stated above. Activity fund requests for checks should be signed by the principal and a club sponsor or representative where applicable.

Each campus has an activity fund clerk who maintains the school's activity fund. The principal must designate another staff member to take over the duties of the activity fund clerk in the event of the activity fund clerk's absence.

### **1.6 *Principal's Management of Activity Funds***

The following are minimum procedures to be performed by the principal in reviewing the work of the activity fund clerk.

- (1) Ascertain a positive account balance exists before granting authorization for purchase or disbursement.
- (2) Check account codes and supporting documentation for completeness and accuracy before approving.
- (3) Review proper compliance with other policies as deemed appropriate.
- (4) Ensure that teachers/sponsors are depositing collections with the clerk as required and that the clerk is making timely bank deposits.
- (5) Review cash receipts and bank deposit slips on a periodic basis to determine if they appear reasonable.
- (6) Examine all club balances on a monthly basis and determine the appropriateness of any negative balances.
- (7) Take note of any comments provided on the monthly financial report and follow up or correct the exceptions.

The preceding list is not all-inclusive but will help ensure that basic accounting procedures are followed and should result in early detection of errors.

### **1.7 *Auditing of Activity Fund Records***

Audits are conducted when funds are involved to prevent the development of any weakness in financial procedures or records. Audits are the final control to assure principals that their procedures in handling funds entrusted to them are adequate for the protection of themselves and their personnel. It is the purpose of the activity fund audit to provide the principal with this type of protection and to comply with Texas Education Agency requirements and District Board Policy.

The District's internal auditor will perform audits as deemed necessary and appropriate. After completing an audit, the internal auditor shall submit a written auditor's report to the principal. The principal must submit a written response within one week of the audit report to the internal auditor for any exceptions noted in the report. The internal auditor shall forward the audit report and the principal's response to the superintendent and Board of Trustees.

The internal auditor shall receive activity fund records as requested at the end of the school year for audit during the summer. The records shall be submitted to the internal auditor at the auditor's request. It is the principal's responsibility to ensure that all records relevant to the audit are submitted within the period specified. The internal auditor will return the records to the school once the audit is complete.

All records shall be kept current and in good order for a period of five years and available for audit at any time.

### **1.8 Special Audits**

All records should be kept current, in good order and available for special audits at any time. These audits will be conducted as needed.

#### **Change of Principal:**

The internal auditor should be notified three weeks prior to a change in principal so that an interim audit of records can be scheduled. The incoming principal should review the results of the audit before assuming financial responsibility.

#### **Change of Clerk:**

It is the responsibility of the principal and activity fund clerk to notify the internal auditor of a change of activity fund clerk at least three weeks in advance so that an interim audit of records can be scheduled. An interim audit will assure the incoming party that the records are in acceptable order when he/she assumes the duties of activity fund clerk.

### **1.9 Activity Fund Reporting**

A Student Activity Fund Income Statement Report will be submitted on a monthly basis to each campus principal or director as applicable.

The principal shall review the income statement report immediately upon receipt. If any discrepancies are noted, the principal shall respond to the discrepancies within 10 days after receipt of the report.

Club sponsors at the secondary level shall be provided with a monthly report by the school's activity fund clerk. Sponsors should review their account balances monthly by comparing to their records on file and report any differences.

Any major problems requiring immediate attention shall be reported to the Assistant Superintendent for Finance & Operations and the internal auditor.



## **SECTION 2: BASIC RECORDS**

### **2.1 *Activity Fund Cash Receipts***

These receipts are the means for recording cash received, acknowledging receipt, and providing support to substantiate each bank deposit. The activity fund cash receipts are to be obtained from the Finance Department. Schools may not have in their possession receipts not issued by the Finance Department.

### **2.2 *Purchasing***

Teachers and sponsors requesting funds from any of the activity accounts shall make purchases using the online purchasing system. The campus secretary or activity clerk will request a purchase order on-line. The Purchasing Department will inform the campus if changes are needed on the purchase order. The principal must approve all purchase orders on-line.

### **2.3 *Check Disbursement***

Before issuing a check, the Accounts Payable Department shall review all check requests to determine the accuracy and appropriateness by verifying the calculations, the authorization, the account code used, and the adequacy of the supporting documents. All parties involved in activity fund transactions should be familiar with the Accounts Payable Department's check cycle and adhere to the deadlines.

### **2.4 *Bank Deposit Slips***

Validated bank deposit slips serve as a receipt for money deposited in the bank on specified dates. Validated deposit slips are vital supporting documents in the maintenance of accurate cash records. The Finance Department will distribute the bank deposit slips as needed. The pre-numbered bank deposit slips shall indicate the bank account name, campus, and bank account number.

### **2.5 *Bank Statement***

The bank statement reflects all disbursements and deposits that affect the activity fund's cash balance during a specified month. The monthly bank statement contains the month's canceled checks and deposit slips. When properly reconciled, the statement serves as official support for the cash balance indicated on the activity fund records. The Finance Department is responsible for reconciling the Student Activity Fund checking account and preparing the reconciling adjustments as needed.

### **2.6 *Income Statement Report***

The Income Statement Report contains a cumulative total of an activity's account revenues and expenditures for the year. It also includes the account's balance at the beginning of the fiscal year and at the end of the specified month. All transactions posted as of the date of closing will be reflected on the report. The Finance Department will provide a copy of the campus income statement monthly.

## **2.7 Revenue and Expenditure Reports**

Revenue and expenditure reports can be generated at each campus showing details of revenues, expenditures, encumbrances, and appropriations. Details of each account number are available on-line through the iTCCS system. Training on the use of the system will be provided by the Business Office. The internal auditor will also assist in this training as needed.

## **2.8 Fundraising Application**

A pre-approved Fundraising Application must be on file for all fundraising activities. Approval from the campus principal, the Athletic Coordinator (if applicable), the Athletic Director (if applicable) and Central Office should be obtained.

## **2.9 Fundraiser Report**

A Fundraiser Report shall be prepared at the completion of each fundraiser or earlier if deemed necessary. **This is a mandatory report and must be submitted to the internal auditor 30 days after the end of the fundraiser.** The Fundraiser Report shall show the result of the fundraiser after reporting all deposits, expenses, and any outstanding items as of the date of the report. A written explanation for a loss or a profit that is less than expected should be included with the report.

A Fundraiser Report is also required to be submitted for fundraisers that have been cancelled. "Cancelled" should be written on the report and the report should be signed by the sponsor and principal.

## **2.10 Distribution Record**

The secretary or clerk must keep a record of distribution of any items previously issued to him/her. These records include; receipts, payment requisitions, purchase orders, bank lock bags, change funds, and other like items requiring review during an audit.

The distribution log should include the date of issuance, the numbers distributed, the name of the person and club assuming responsibility and when applicable, the date of return or vendor.

## **2.11 Organizations' Records**

Campus management should have on file a charter and possibly a set of by-laws and/or a constitution for each organized student group. A current list of officers as well as the sponsor's name should also be part of the organizations' records. In addition, the group should have a plan that outlines the activities for the year. Service projects, major fundraisers, and other activities should be spelled out in the plan to ensure that the group is fulfilling its stated purpose and allow management to eliminate conflicts and duplication of efforts by different groups.

**2.12 Additional Records**

Each campus should keep a communication file for the Student Activity Fund. This file should contain written documents related to activity funds or notes regarding requests granted orally from authorized personnel.

Each campus should also keep a record of employees authorized to use charge cards when making purchases for the District.

Each campus should have a written policy for fundraising activities on file that addresses the approval process, any limitations on fundraisers, responsibility for accountability, and other areas specific to their campus.

**2.13 Retention of Records**

All activity fund records, including correspondence, must be kept on file in accordance with the District record retention schedule. Records can be sent to record storage if they are clearly labeled and marked with date for destruction on the front of the box.

## **SECTION 3: BANKING AND CREDIT ACCOUNTS**

### **3.1 *Authorization of Bank Accounts***

Campuses and student clubs are not authorized to open separate bank accounts. Only the Assistant Superintendent for Finance & Operations and the Superintendent have authorization to open bank accounts in the District's name.

The District's Activity Fund bank account (Compass Bank) shall be used for all campus and student activity fund transactions. Do not deposit funds from PTO's in the District's Activity Fund bank account.

Outside organizations are prohibited from using the District's employer identification number or tax exempt status for their operations. Due care shall be taken by District employees with relations to an outside organization.

### **3.2 *Bank Reconciliation***

Upon receipt of the monthly bank statement, the Finance Department shall reconcile the statement to the General Ledger. The Finance Department shall compare transactions carefully to ensure that balances are correct. If feasible, any reconciling adjustments shall be prepared and corrected before the end of the month to ensure reliability of the cash account.

### **3.3 *Credit Accounts***

Campuses and student clubs are prohibited from borrowing funds or entering into deferred payment contracts from any and all sources without the written consent of the Assistant Superintendent for Finance & Operations.

Upon approval, the use of charge (credit) accounts by the campuses should be closely controlled and limited to key employees. The Student Activity communication file should contain a list of approved credit vendors along with the names of the employees authorized to use the credit card.

Purchase orders shall be required for all purchases and the charge slips given to the student activity fund clerk upon receipt. The student activity fund clerk shall submit the proper documentation to the Accounts Payable Department for payment.

## **SECTION 4: FUNDRAISERS AND OTHER CLUB ACTIVITIES**

### **4.1 Approval Process**

#### **1. School Activities**

Fundraisers held by campus personnel and/or students require an approved fundraiser application before they can begin the fundraiser. Permission should be obtained at each campus from the respective committee/student group at the campus, the campus principal and Central Office. The person responsible for the fundraiser shall keep the original copy of the approved application on file with all other documents or reports for the activity.

#### **2. External Organizations**

Persons representing external organizations can not conduct fundraisers on campus during the school day. The principal may grant written permission to persons representing external organizations to conduct fundraisers after school hours as long as it does not violate District policy. To this extent, external organizations can not sell during the lunch hours at the school and recognize the revenue from sales for their organization. The District does not recommend that parents assist in the handling of cash for campus fundraising activities.

A fee shall be charged to non-exempt external organizations for the use of school buildings. Refer to the facility rental fee schedule in Board Policy GKD for the rates.

### **4.2 Scheduling/Time Frame Conflicts**

The campus and/or District should take steps to schedule and manage fundraisers in such a way to avoid conflicts. Fundraisers should have a definite beginning and end and should not be scheduled in conflict with other fundraisers. The District does not allow fundraisers to exceed a two-week period unless unusual circumstances warrant it.

All student groups on a campus can operate fundraisers successfully if proper controls and limitations are in place.

### **4.3 Types of Fundraisers**

Many types of fundraisers are available for student groups. These include sales of products, 'labor only' projects, contract labor projects, school-wide activities, and other types of projects.

Raffles and other games of chance shall not be held at schools by or for school students. The District is prohibited from sponsoring or conducting raffles as per Board Policy FJ (LEGAL). PTO's and other qualified independent organizations may conduct raffles as long as they are not held on school property. Bingos, including Chalupa bingos, are prohibited.

According to the Texas Public School Nutrition Policy and the Mission CISD Nutrition Policy, different restrictions apply to elementary, junior high and high school campuses regarding the sale of food items. All campuses must adhere to these restrictions to be in compliance with the policies mandated by the Texas Department of Agriculture and the District's School Health Advisory Council.

Foods of Minimal Nutritional Value including carbonated drinks are prohibited from being sold, given away or offered to students during the instructional day at all elementary, jr. high, and high school campuses. **Additionally, food sales of any kind (other than water and 100% fruit juice) will not be allowed at any elementary, jr. high or high school campus during the instructional day.** Food sales at elementary campuses held afterschool, but before 5 pm must follow the nutritional guidelines and the portion size restrictions.

Please refer to the Texas Public School Nutrition Policy and the Mission CISD School Nutrition Policy for more information and a complete listing of restrictions. If you have any questions, call the Child Nutrition Program at 323-3800 or visit their website at [www.mcisd.net/departments/financeoperations/childnutrition.aspx](http://www.mcisd.net/departments/financeoperations/childnutrition.aspx)

#### **4.4 Accounting for Fundraisers**

Maintaining proper accountability of fundraisers is crucial, primarily because of both, the significant number of persons and the amount of cash involved.

1. Before commencing with the fundraiser, the student activity fund clerk shall provide the sponsor/teacher with an approved copy of the Fundraising Application. Proper purchasing procedures should be initiated to obtain any items for resale. The fundraiser should be approved as far in advance to permit meeting purchasing deadlines.
2. Money collected from the fundraiser must be submitted to the student activity fund clerk as required, funds **CANNOT** be held until the fundraiser is complete.
3. The sponsor shall report the results of the fundraising activity to the student activity fund clerk within 30 days after completion of the fundraiser. The sponsor is required to:
  - a. Complete and sign the Fundraiser Report. The report requires signatures from the sponsor and the campus principal.
  - b. Retain a copy of the Fundraiser Report.
  - c. Submit a copy of the Fundraiser Report to the activity fund clerk along with a list of outstanding collections by student and a record of the inventory remaining, given away, or spoiled.
  - d. The club sponsor must keep copies of the Fundraiser Report with the Fundraising Application, miscellaneous receipts, the student activity fund deposit receipts, and any other information pertaining to the fundraising activity on file in case of audit.
4. The Fundraiser Report is required to be submitted to the internal auditor within 30 days after the close of the fundraiser.
5. The student activity fund clerk shall keep a copy of the Fundraising Application, the Fundraiser Report and other records received on file.

6. UNDER NO CIRCUMSTANCES SHOULD EXPENSES BE PAID IN CASH!

#### **4.5 Accounting for Revenue Received**

1. The student activity fund clerk, teachers, librarians, club sponsors, and all other designated employees shall record all cash and check collections immediately upon receipt. Said records shall be maintained on District pre-numbered receipts. The receipts are intended to provide each depositor with the basic support for activity fund bank deposits.

An individual student record must be maintained for each fundraiser. This record should include the initial amount owed by the student and the decrease or increase as a result of deposits or new merchandise distributed.

Unless monies are being left for safekeeping, persons designated to receive collections should never leave funds with the student activity fund clerk without obtaining a receipt.

2. All receipts must be completed in its entirety, including:
  - a. The date and the amount.
  - b. The method of payment; cash or check
  - c. The individual or company money is received from.
  - d. Description - a brief explanation of the purpose for which the money was received. A separate receipt for each activity is required.
  - e. The deposit account number
  - f. The signature of the person receiving the money
  - g. The receipt number(s) of the supporting receipt(s)
  - h. Dated signature of depositor
3. The receipts are not to be presigned or predated. Each authorized person is accountable for all issued and unused receipts.
4. If an error occurs, the following steps should be taken to report the error:
  - a. The receipt shall be clearly marked "VOID".
  - b. The reason receipt was void shall be noted on the receipt.
  - c. The student activity fund clerk shall acknowledge void receipts by obtaining the principal's signature.
  - d. Voids are not necessary for an incorrect amount written in error or minor changes. All of these changes must be reviewed and signed by the principal. All voids will be subject to internal audit.

5. Multiple collections can be recorded on the Student Collection Report. If the payee requests a receipt, a miscellaneous receipt can be prepared for the individual and the original copy shall be provided.
6. It is not feasible to maintain an individual sales record on sales from concessions, school stores, dance admittance fees (if not pre-sale), book fairs, or the like. In these instances, the student collection report shall be prepared in summary noting the total cash collected and listing any checks separately.
7. In addition, the following items should be accounted for as noted.
  - a. Checks should be made payable to: MCISD Activity Fund; Campus.
  - b. A separate accounting must be maintained for the sale of items requiring more than one ingredient to be in saleable form. For example; nachos, pickles, popcorn, fountain drinks, etc.
  - c. For school stores, the number of coupons redeemed and their dollar value shall be reported as they are received. The same information should be reflected on the student activity fund receipt.
  - d. Admittance fees sold via tickets should also be accounted separately. The beginning and ending number of the tickets sold per individual shall be noted.
  - e. Spoiled, damaged, or stolen items shall be reported on the sales report.
  - f. As an alternative, a sales report may be prepared to support the collector's deposit to the student activity fund clerk. The sales report form may be used at the discretion of each individual or as required by the principal.
8. The student activity fund clerk shall make a copy of checks received in the mail to support the deposit. The clerk shall mail the original copy of the activity fund receipt to the payee.
9. If a change fund is needed, the club sponsor must obtain permission from the campus principal. A maximum of \$25.00 may be withheld from the first fundraiser deposit. The sponsor receipt shall reflect a decrease in the cash section of the receipt to account for the transaction. The teacher should deposit the change fund at the completion of the fundraiser.

#### **4.6 Control of Student Activity Fund Receipt Books**

The Finance Department will provide the student activity fund clerk with the receipt books. It is the student activity fund clerk's responsibility to maintain an adequate supply of receipts. All receipts shall be secured at all times.

The student activity fund clerk shall keep a log of receipt books issued as needed to teachers, club sponsors, and other persons authorized by the principal. This distribution log shall be part of the Student Activity Fund records.



#### 4.7 Types of Receipts

The Finance Department shall provide the student activity fund clerk with the receipts that shall be used by District employees. The following types of receipts have been approved for use: Activity Fund Receipts and Miscellaneous Receipts.

##### 1. Student Activity Fund Receipts

The student activity fund clerk must use the student activity fund receipt to record collections for deposit into the Student Activity Fund. The receipt must be completed in its entirety and the amounts must be recorded in the appropriate account(s).

In addition to the requirements listed in Section 4.5, the student activity fund clerk shall follow the procedures outlined below when receiving monies:

- a. In the presence of the depositor, the clerk shall recount the monies collected and reconcile the deposit to the student collection report and/or miscellaneous receipts.
- b. The clerk is required to endorse all checks with the District's stamp which reads:

**FOR DEPOSIT ONLY**

Mission Consolidated Independent School District

\_\_\_\_\_ School

Student Activity Fund  
(Bank Account #)

The stamp should include the bank account number. The club activity should be indicated on the front of the check, in case the bank does not honor the check.

- d. The clerk must issue a Student Activity Fund numbered receipt to the depositor after verification of the amount and supporting document.
- e. The clerk shall submit to the Finance Department for posting, the yellow copy of the Activity Fund receipt with the validated bank deposit slip, the yellow copies of the miscellaneous receipts, the student collection reports and the reconciling calculator tape.

##### 2. Miscellaneous Receipts

These receipts will be used for lost library books, lost textbooks and other types of collections listed below.

Miscellaneous receipts are required in the following circumstances:

- a. Partial payments from students, except fundraisers.
- b. Advertisements sold by student groups.
- c. Collections on campus that require deposit into another fund.
- d. Any other collection requiring a payer record for future reference.

3. Student Collection Report

This form may be used in lieu of the miscellaneous receipts to record multiple collections. Sponsors/teachers use this form to document collections for field trips, school pictures, brochure sales and other campus or club sales. If a payee requests a receipt, a miscellaneous receipt shall be issued.

**4.8 Checks**

The following procedures shall be performed in an effort to maintain an effective audit trail and minimize the risk of bad checks:

1. Post-dated checks shall not be accepted.
2. Temporary checks shall not be accepted.
3. Checks for less than \$10 shall not be accepted.
4. Persons receiving checks should require proper identification.
5. Persons accepting checks should ensure that the check: (a) is made payable to MCISD Student Activity Fund - Campus; (b) is dated; (c) amount is clearly identified; (d) includes the club and activity; (e) is signed; (f) if possible, the check writer's driver's license number and phone number should be noted.
6. Third-party checks shall not be accepted under any circumstances.
7. The cashing of personal checks is not allowed.

**4.9 Safeguarding Collections**

Club sponsors/teachers should ensure that money in their possession is always safeguarded. When funds collected by club sponsors exceed the acceptable amount and the club sponsor is not ready to make a deposit to the clerk, the funds collected must be turned in to the clerk for overnight safekeeping. A maximum of \$500 is allowed to be kept in the safe overnight. If the amount to be left for safekeeping is less than this amount, a lockable money bag may be used. Otherwise, the clear plastic bank bag must be used if the funds will be taken to the bank for overnight safekeeping. When using the clear plastic bank bag, the sponsor must count the money before placing in the bag, write all required information on the bag, and seal the bag before leaving it with the clerk. A log showing the dates the bag is dropped off and picked up shall be kept by the clerk. This record shall be critical evidence towards compliance with this procedure.

The activity fund clerk shall be responsible for safeguarding funds overnight once the funds are turned over to him or her. Sponsor/teachers must make a deposit of these funds within two (2) working days. Safekeeping is a temporary method to store funds and should not be used to delay the deposits of funds.

## SECTION 5: DEPOSIT OF FUNDS

### 5.1 General Operating Policies

Funds collected shall be secured and deposited as soon as practicable. All persons receiving collections shall be responsible for making timely deposits as required below. A receipt shall be used to record all monies collected.

Student Collection Reports and/or the miscellaneous receipts shall be tabulated and compared with the amount of deposit. The student activity fund clerk will issue the depositor a receipt as a record of his/her deposit.

The student activity fund clerk shall have copies of the Activity Fund receipts and bank deposits slips as the basic support for bank deposits.

The Student Activity Funds shall be deposited at Compass Bank. Deposit books shall be obtained from the District's Finance Department.

The following procedures shall be adhered to when making or receiving deposits:

1. Teachers, librarians, club sponsors, and other authorized persons are required to deposit their collections and supporting receipts to the student activity fund clerk. The deposits shall be made weekly, or when cash on hand - in the aggregate - exceeds **\$ 50**.
2. The student activity fund clerk is required to make a bank deposit weekly or more often when cash on hand exceeds **\$500**; and on every Friday or before a holiday break.
3. The student activity fund clerk should establish a cut off period for deposits by teachers, librarians, club sponsors, or other authorized persons.
4. If un-deposited funds total or exceed **\$500**, a delegated school representative shall transport the funds directly to the bank for overnight safekeeping.
5. For collections in the evening or weekends, the campus principal shall ensure that a school representative is available at these times to safeguard the funds until deposit.
6. Employees are prohibited from keeping activity funds in unauthorized locations.
7. Lockable money bags or clear plastic bank bags should be available to teachers, club sponsors, or other persons who receive funds so that any deposits not made before the deadline can be secured in the safe or the night depository. The clear plastic bank bags must be used for the bank night depository. Bank bags should always be placed in another bag for transport to the bank.
8. The student activity fund clerk shall not have access to extra keys for the lockable money bags. The clear plastic bank bags, when used, should be sealed in the presence of another employee.

9. All cash receipts must be deposited in the same sequence as funds are received.
10. Funds received to make change shall be turned in to the student activity fund clerk at the completion of the fundraiser or activity.
11. All cash on hand at the end of the school year, including petty cash (change fund), must be deposited. Campuses having summer school may close their account at the end of that period.

## **5.2 Procedures for Depositing Funds**

1. Sponsors, et al. except clerk

Persons with **\$50** or more in collections at the end of the day shall make a deposit to the student activity fund clerk in the following manner:

- a. The sponsor shall turn in all monies to the student activity fund clerk for a bank deposit.

Funds cannot be kept for change unless arrangements are made with the campus principal.

- b. The club sponsor shall turn in copies of the student collection report, miscellaneous receipts and any other supporting documentation to the student activity fund clerk with the monies for deposit.
- c. The activity sponsor shall be present when the activity fund clerk reconciles the sponsor's deposit as per the procedures outlined in Section 4 of this manual.
- d. The activity sponsor shall obtain a receipt from the student activity fund clerk for the funds submitted.
- e. If the money is not to be deposited to the bank, but only held for overnight safekeeping, the club sponsor must take the key to the lockable bag and sign the log the date the bag was left with the clerk. If using the clear plastic bank bag, the sponsor must count the money before placing in the bag and seal the bag before leaving it with the clerk.

When the bag is picked up, the club sponsor should sign the log to signify the date the bag was picked up.

2. Student Activity Fund Clerk

The student activity fund clerk is required to make a bank deposit weekly or more often when cash on hand exceeds **\$500**. The student activity fund clerk is required to:

- a. Reconcile the receipts in the following manner before preparing the bank deposit slip.

- 1) Count the currency, cash, and checks and run a tape of the amounts to determine the total amount available for deposit.
  - 2) Total all cash amounts as reflected on each receipt that will support the deposit.
  - 3) Total all check amounts as reflected on each receipt that will support the deposit.
  - 4) Total the amounts from step 2 and 3 to determine the amount recorded for deposit.
  - 5) Total the amounts in the account section of the student activity fund receipts.
  - 6) Compare the amount from step 5 with the total produced in step 4.
  - 7) If the amounts agree, prepare the deposit slip.
  - 8) If the amounts do not agree, determine the cause and correct as necessary. If the amount is immaterial and the cause can not be explained, report the overage or shortage to the student sales account.
- b. Prepare the bank deposit slip and include the following information:
- 1) The date the deposit slip is prepared
  - 2) The cash and currency
  - 3) The checks, listed separately, showing the maker's name and the amount of the check.
  - 4) Total the amounts and compare to the totals obtained above. If discrepancies exist, correct as necessary.
  - 5) The receipt numbers that comprise the bank deposit, written on the top left corner.
  - 6) The sum of the receipts that comprise the deposit must agree with the amount of the bank deposit.
- c. Make the bank deposit at Compass Bank. To make the deposit, the clerk shall:
- 1) Submit the three copies of the bank deposit slip to the bank teller for verification and validation.
  - 2) The bank teller should return the yellow and pink copies for our records. The bank will keep the white copy.
- d. Submit the bank deposit information for posting. The bank deposit information must be submitted to the Finance Department within one

week of the bank deposit. The following items must be submitted stapled together in order for the deposit to be posted.

- 1) The yellow copy of the bank deposit slip and the bank receipt taped to a blank sheet of copy paper.
- 2) The calculator tape prepared during the reconciliation process taped to the above mentioned sheet of copy paper.
- 3) The yellow copy of the student activity fund receipt.
- 4) Supporting miscellaneous receipts, student collection reports, copies of checks received in the mail, donation forms and any other supporting documentation attached to the corresponding activity fund receipt.
- 5) Other activity fund receipts that comprise the deposit with other supporting receipts and documentation attached thereto.

The Finance Department shall make sure that the documentation listed above is included with the deposit information before the deposit is posted to the records.

## SECTION 6: RETURNED CHECKS AND REDEPOSITS

### 6.1 *Accounting for Returned Checks*

The procedures outlined below shall be used when checks are returned by the bank for non-sufficient funds (NSF), account closed, improper signature, or other reasons. The collection of returned checks will be managed by the Finance Department.

1. Upon receipt of returned checks, the Finance Department will note the account in which the returned check was deposited.
2. The Finance Department will debit a receivable account (1291) to record returned checks via a journal entry.
3. A copy of each returned check will be sent to the activity fund clerk for his/her files. The campus should not collect on the returned checks, but instead refer the individual to the Finance Department.
4. The **original or legal copy of the check** will be kept by the Finance Department until restituted or surrendered to the Hidalgo County District Attorney.
5. The Finance Department will send a *Returned Check Notice* via US Postal Services Mail to the check issuer demanding payment by cash, money order, or cashier's check within ten (10) business days after the date noted on the *Returned Check Notice* to make restitution.
6. The District will be assessing a \$10 NSF fee in addition to the check amount. The service fee will be classified as miscellaneous revenue (5749) in the General Fund.
7. If payment is received from the check issuer, the money will be deposited to the receivable account by the Finance Department. The description on the receipt will indicate that the deposit is for a returned check and will reference the check number and name of the check writer.
8. Persons who habitually write bad checks will not be allowed to pay by check. A person becomes a habitual bad check writer when more than three (3) checks are returned to the District.

### 6.2 *Submission of Returned Checks to District Attorney*

1. If restitution has not been made after (10) ten business days, the Finance Department will remit the original returned check (or legal copy) and a copy of the *Returned Check Notice* to the Hidalgo County District Attorney. At this time, the campus account is debited for the amount of the check.
2. Once the returned checks are submitted to the Hidalgo County District Attorney, the District can no longer collect on the checks; the issuer will have to follow payment demands as per the Hidalgo County District Attorney.
3. When the Hidalgo County District Attorney collects on the returned checks, funds will be forwarded to the District and credited to the applicable campus accounts.



## **SECTION 7: PURCHASING POLICIES AND PROCEDURES**

### **7.1 Purchases from the Student Activity Fund**

Purchases from Activity Funds must adhere to District purchasing requirements adhered to by budgeted funds. Refer to the Purchasing Manual for policies and procedures. (Note: the policies and procedures may be superseded by changes made via notes or memos sent after the publication of the manual.)

As with budgeted funds, the campus principal is fully responsible for all purchases and purchase commitments requiring the present or future disbursement of Activity Funds. Teachers must have an approved purchase order **before** making any purchase in the name of the school.

### **7.2 Competitive Bidding Requirements**

The use of vendors on the approved vendor list is encouraged to obtain products at the lowest price. If you have questions about any vendor or wish to add a vendor to the bid request list, contact the Purchasing Department.

### **7.3 Service Contracts**

The Consultative service Contract Form must be completed and submitted to Central Office for approval for all service contracts. Refer to Section 11 of this Manual for more information.

The campus principal may not enter into copier contracts or food vending machine contracts as these contracts are entered into on a District-wide basis by the Business Office. The only persons authorized to enter into such contracts are the Superintendent or the Assistant Superintendent for Finance & Operations.

### **7.4 Commemorative Items**

The campus principal may decide which vendors may provide services for commemorative items. The principal must be satisfied that the District and its students benefit from the service before any contract can be initiated with these vendors. A contract shall not be enforceable until authorized and signed by the Assistant Superintendent for Finance & Operations.

Commemorative items shall not be a requirement for graduation and students should not be obligated in any manner to buy or rent these items from the vendor receiving the contract or from any other source. The following is a list of examples of commemorative items:

- a. Class rings
- b. Yearbooks
- c. Graduation Announcements
- d. Caps and Gowns
- e. Pictures

## 7.5 Purchases On Behalf of Students - FFA

At times, it is necessary for the District to collect funds for personal student expenses. For example: agriculture instructors at times purchase or assist in purchasing animals for the students. The students are required to pay for the animals from personal funds. To properly account for these transactions, the following guidelines have been established:

1. When possible, students should pay their share of the costs two weeks in advance of purchase or vendor payment.
2. The student shall be issued the District's miscellaneous receipt to record the monies received. If a balance is due, the outstanding balance should be noted on the receipt.
3. The student's money and the corresponding receipt shall be submitted to the student activity fund clerk for deposit. The deposit should be posted to account number 865-00-2191-49-campus-fiscal year.
4. The instructors shall submit the necessary documents to obtain a check for the trip and the animal purchase by completing the procedures below:
  - a. The purchase order to purchase the animals already paid by students shall be coded to the same account as the deposit.
  - b. Animals purchased, but not yet paid for by students shall be coded to 865-00-1299-49-campus-fiscal year. The agriculture instructor shall keep adequate records for the payments and debts by students. When students have satisfied their loan payments, this account should be at zero.
5. Upon return of trip, the teacher shall submit the remaining cash, and receipts for the purchase of the animals to the Accounts Payable Department. The instructor shall not use remaining funds for any other purpose.
6. All animals purchased for students shall be kept on record. The record should include the student's name, the price paid for the animal, the amount paid by the student, and the vendor from whom the animal was purchased. A copy of this list shall be sent to the Accounts Payable Department to attach to the respective purchase order.
7. The instructor shall obtain a receipt from the animal vendor that indicates the number of animals, the type of animal, and the price for each animal purchased.
9. When the cost of the animal is greater than the amount pre-paid by the student, the student should pay the balance due before taking possession of the animal. A list of these students shall be provided to the Finance Department so that an account receivable can be set up. The account receivable shall be posted to 865-00-1299-49-campus-fiscal year and the student payments, when received, shall be recorded to this account as well.
10. When the cost of the animal is less than the amount paid by the student, the excess monies should be refunded to the student in the following manner:

- a. Deposit the excess funds to 865-00-2191-49-campus-fiscal year.
- b. Obtain a Payment Authorization to refund the student's parent.
  1. Explain the reason for the refund and note the specifics. Include the name of the student.
  2. Charge the refund to 865-00-2191-49-campus-fiscal year.
  3. Note the amount for refund in the space provided.
  4. Obtain the proper signatures.
  5. Submit to the Accounts Payable Department for payment.

## **7.6 Staff Incentives**

Staff may generate revenue and account for it in the activity funds through earnings from the school store, campus-wide fundraisers and the vending machines in the staff workrooms. The campus principal may elect to take a percentage (25%) of the net profit from school stores and campus-wide fundraisers and deposit it into the staff incentive account in the activity fund. Commissions from the vending machines in teacher workrooms or other locations that students do not access may be deposited to the staff account. Please refer to policies regarding vending machines as issued by the District's School Health Advisory Council.

Staff Incentives may be purchased from the activity funds provided there are funds available in the staff account. The staff incentive account in the activity fund should be used to benefit all staff at the campus for their participation in collecting activity funds. They should not benefit any one individual. Generally, staff account monies are used for birthday awards, staff luncheons, drinks and snacks for meetings and end of year awards/incentives. Individual staff incentives and awards should not exceed \$50 each. Total staff incentives cannot exceed \$100 annually for each employee. The campus is responsible for tracking staff expenditures to ensure these limits are not exceeded.

The Assistant Superintendent for Finance & Operations will be responsible for determining if a purchase made from activity funds is within the confines of the District's policies and procedures.

## SECTION 8: CHART OF ACCOUNTS

Refer to the Financial Accountability System Resource Guide which includes a complete listing of all account numbers. This Resource Guide is updated periodically by the state and can be referenced on-line at: [www.tea.state.tx.us/index4.aspx?id=1222](http://www.tea.state.tx.us/index4.aspx?id=1222).

### 8.1 Fund

The fund is a mandatory three digit code that identifies the funding source. The Student Activity Funds involve two funds.

1. Fund 461 Campus Activity Fund

This fund is used to account for transactions related to a principal's activity fund if the monies generated are not subject to recall by the school district's board of trustees into the General Fund. Gross revenues from sales are recorded in revenue object code 5755. The cost of goods sold is recorded in Function 36, using the appropriate object code.

Campus activity funds are generated by the campus as a whole, and must be spent in such a manner to benefit the campus.

2. Fund 865 Student Activity Account

This fund is used as an agency account for student "club" funds or "class" funds. The decision-making for these funds rest with the group, but is still limited to District policy.

### 8.2 Function

The function is a mandatory two digit code that identifies the purpose of the transaction.

Function 36 - Is used to classify school-sponsored activities during or after the school day that are not essential to the delivery of school services. Function 36 shall be used for the all Campus Activity Fund expenditures.

### 8.3 Object

The object is a mandatory four digit code that identifies the nature and object of an account, a transaction, or a source. The following are some of the accounts used in the Activity Funds. When accounting for Activity Funds, four types of object codes will be used:

1- Assets, 2- Liabilities, 5- Revenues, and 6- Expenditures

- 1102 This account is classified as an asset on the District's financial statements. It is used to represent the amount issued for petty cash (a/k/a imprest funds) or change funds.
- This account shall be used when a deposit is made to close out the petty cash account.
- 1291 This account will be used by the District to account for NSF checks. The account shall be debited via journal entry to set up the NSF and credited via activity fund receipt when paid. These accounts shall not be used to record service charges.
- 1299 This account is classified as an asset on the District's financial statements. It is used to identify monies owed to the District. This number shall be used to deposit monies for student loan payments.
- 2181 This account is recorded as a liability on the District's financial statements. It is used to record amounts due to state entities. This account shall be used to record sales tax due to the State Comptroller's Office from the sale of taxable items.
- 2191 This account is recorded as a liability on the District's financial statements. It is used to identify monies that the District owes to student clubs.
- 5744 This account is used to classify gifts and bequests received from philanthropic or private organizations, or individuals. This account shall be used to record donations.
- 5749 This account identifies revenues generated from miscellaneous sources in the normal course of business. This account shall be used when recording revenues from parking permits, fieldtrips, lost textbooks, lost library books, and ID cards. Commission checks are considered miscellaneous revenues and not taxable. Sales taxes shall not be collected on these items if they are a required component of our educational system or otherwise accounted for in Fund 461; campus activity fund.
- 5755 This account identifies revenues collected from fund-raising activities. It should also be used to classify gross revenues realized from school stores, dances, sale of school supplies, vending machine sales and other revenues realized from sales by student groups. Generally, these revenues are not conducive to the operations of the District.
- 6299 This code is used to classify expenditures for miscellaneous contracted services.
- 6329 This code is used to classify all expenditures for magazine subscriptions that are placed in classrooms, offices, or libraries. Also included are reference books and other reading materials placed in a classroom or office that are not cataloged and controlled by the library.

- 6343 This code shall be used to classify expenditures for such items as drinks, foods, merchandise, or other items for sale through vending machines, concessions, snack bars, fundraisers, etc.
- 6397 This code is used to account for certain supplies/equipment with a unit cost of less than \$500 that will be tagged and inventoried.
- 6398 This code is used to account for supplies/equipment with a unit cost between \$500 and \$4,999.
- 6399 This code is used to classify expenditures for those items of a relatively low unit cost (even though used in large quantities) necessary for the instruction process and/or for administration of a class or project.
- These items include:
1. Consumable teaching and office items such as paper, pencils, forms, postage, etc.
  2. Workbooks
  3. Audio-visual aids such as filmstrips, VCR tapes, CD/DVD disks, diskettes, computer tapes, software
  4. Site licenses, single use software with per-unit cost of less than \$500. (Use 6398 for cost between \$500 and \$5,000.)
- 6411 **Employee Travel:** This code shall be used for employees to classify the cost of transportation, meals, room, and other expenses associated with traveling on official school business.
- 6412 **Student Travel:** This code is used to classify cost of transportation (charter bus), meals, participation fees, room and other expenses associated with students traveling for school sponsored events. It does NOT include the cost of District transportation (school bus).
- 6419 **Non-employee Travel:** This code is used to classify the cost of transportation, meals, room, and other expenses associated with traveling on official school business by non-employees: for example, parents, chaperones, and board members
- 6494 This code shall be used to identify the costs of transporting students for any purpose other than to and from school as required under Section 34.010, TEC. Transportation costs for field trips requiring District transportation shall be coded to this account.
- 6495 This code shall be used to identify expenditures/expenses for dues paid to clubs, committees, or other organizations.
- 6498 This code shall be used for the cost of food/refreshments given to students, parents, or employees on campus.

- 6499 This code shall be used to classify expenditures for operating costs such as:
1. Fees (not associated with travel)
  2. Awards and Incentives
  3. Bid notices
  4. Graduation Expenses.
  6. Newspaper advertisements
  7. Other expenditures not included elsewhere

#### **8.4 Sub-object**

The sub-object code is a two digit code used at the option of each school district to provide special accountability at the local level. This code is used by the District to identify the student group, class, or a school activity requiring separate accounting. The sub-object code helps identify the source of a deposit or purchase. The District's sub-object code list is available in this manual. Persons involved in managing the activity funds should learn the code assigned to them.

#### **8.5 Organization**

The organization code identifies each of the District's campuses.

#### **8.6 Fiscal Year Code**

The fiscal year code is a mandatory single digit code that identifies the school year in which the transaction occurred. For the school year 2012-13 the number will be a "3".

#### **8.7 Program Intent Code**

The program intent code (PIC) succeeds the fiscal year code. It is a two digit code used to designate the intent of a program provided to students. These codes are used to account for the cost of instruction and other services that are directed toward a particular need of a specific set of students. Use program intent code 99 for all expenses incurred under the Campus Activity Fund 461.

#### **8.8 TE Accounts**

The last two digits in the account code structure are local option codes. A local option code of TE should be used for technology purchases. This does not include items purchased that will be given to the students or purchases from Fund 865. A local option code of 00 should be used for all other expenditures.

## **SECTION 9: DISBURSEMENTS**

To limit irregularities, all expenditures shall be paid by District issued check from the activity fund checking account. In keeping with the definition of student activity funds, income received from a specific student group must be expended in accordance with the wishes of that group. In the case of campus activity funds, the funds should be expended in such a way to benefit the campus as a whole.

The campus principal should approve no expenditure of funds unless sufficient funds are available in the appropriate activity account. If transfer of funds is needed, proper documentation requesting and approving the transfer should exist. Loans between activity funds and accounts are not allowed.

### **9.1 *Check Payment Cycle***

The Accounts Payable Department will issue checks when the goldenrod receiving copy and the pink payment copy of the purchase order, along with the invoice have been received. Partial payments will be made only at the request of the campus. A white copy of the purchase order signed by the principal should be sent in for partial payments. The amount to be paid must be written on the pink copy before the white copy is made.

The campus must be familiar with the District's deadlines to ensure that payment requests are submitted on time. It shall be the campus' responsibility to ensure that the necessary documents are completed and submitted to the Accounts Payable Department for payment when due. The Accounts Payable Department shall make every effort to ensure that all financial documents received without error or omission make the payment cycle. Failure by a campus to submit a payment request without the required documents may be cause for a delay in payment.

Checks will be issued based on the Accounts Payable Department's check cycle. Exceptions will be made only when absolutely necessary and a written request from the principal to the Assistant Superintendent for Finance & Operations explaining the extenuating circumstances for not adhering to the check run schedule will be required.

Once the check is prepared, it will be sent to the vendor. Checks should not be sent to employees unless they are for personal travel expenses, student trips, or for a contracted service to be paid after performance.

### **9.2 *Errors and Omissions***

Unused or incorrect checks should be returned to the Accounts Payable Department for a void. If a replacement check is needed, the Accounts Payable Department will replace the check on the next scheduled check run.

### **9.3 *Payment Restrictions***

Payments to employees, such as for field trips and refunds, should be avoided. When necessary, the supporting documentation must be provided in support of the expenditure. If purchasing procedures were not followed, the reason should be explained. Original receipts shall be required for reimbursements and sales tax will not



be reimbursed. Noncompliance with purchasing policies will be noted by the internal auditor and/or Business Office.

Advance payments for contracted services are prohibited. These professionals shall pay for their travel expenses and obtain a reimbursement from the District. The reimbursement amount shall be limited to the contract service amounts and are subject to District policy. Original receipts must be obtained in order to reimburse contracted persons.

#### **9.4 *Problems with Vendors***

Satisfaction of the payment terms and amounts owed to vendors shall be resolved at the campus level. All payments made to vendors must equal the amount of the invoice. If a correction is needed, a new invoice or credit memo should be obtained from the vendor. The corrected invoice or credit memo shall be turned in for payment.

If campus staff is unable to resolve a disagreement with a vendor, contact the Purchasing Department for assistance. The Purchasing Coordinator shall be made aware of any major problems with vendors and shall keep a record of the complaints. The Purchasing Coordinator shall make note of the disagreement and take corrective measures as needed.

#### **9.5 *Requisition/ Payment Authorization***

Refer to the Purchasing Manual for proper use and procedures regarding purchasing and bid rules.

#### **9.6 *Refunds and Reimbursements***

Reimbursements should be minimized to safeguard against unauthorized purchases. The campus principal has authorization to reject requests for reimbursement. The proper account classification shall be used on the reimbursement request to classify the expenditure.

Refunds should be coded to the account used when the monies were deposited or when the payment request was made.

Example: A student pays for a lost textbook and the lost textbook receipt is issued.

- a. The receipt includes: the student's name, the date of payment, the name of the textbook, the amount collected, and the account the receipt shall be posted to (example: 461-00-5749-31-Campus-Fiscal Yr.).
- b. The student eventually finds the book and makes a request to have his/her money returned in exchange for the book. The administrator in charge of lost textbooks should make an effort to have the original receipt returned.

In the absence of the original receipt, a notation shall be made on the receipt copy on file that a refund was processed and the date the request was made. The receipt copy shall be reproduced and submitted to the student activity fund clerk to process the refund.

- c. The student activity fund clerk shall request the refund by processing a payment authorization to the student's parent or guardian. Payment authorizations forms must be pre-numbered and can be obtained by calling the Finance Department. The use of this form is limited and reserved for special cases such as refunds. In this example, the account noted on the deposit receipt (as noted in the example above) shall be used to issue the refund. The description shall state: "Refund on lost textbook" succeeded by the name of the book recovered.

District employees shall not use personal funds to make refunds and expect to get reimbursed.

When a refund is received from a vendor, the funds shall be deposited into the originating account on the purchase order. In this case, the expenditure account is reduced to reflect actual expenses.

### **9.7 Purchase Orders**

District employees shall obtain approval to purchase merchandise by processing a purchase order (PO) through the Purchasing Department. An approved purchase order must be obtained before incurring the expenditure, this includes fundraisers.

Refer to the Purchasing Manual for policies and procedures regarding the proper management of these documents.

### **9.8 Overdrawn Club Accounts**

Clubs are not to operate with overdrawn balances. New campuses or clubs may overdraw the club account temporarily until the funds are collected for the fundraiser. These accounts will be monitored closely by the Finance Department and the internal auditor. Principals are responsible for all deficits generated by fundraising activities and will work with sponsors to ensure that the clubs maintain a positive balance throughout the year or as soon as possible for the new clubs.

### **9.9 Transfers between Activity Fund Accounts**

All transfers between accounts must be properly documented and approved by both the sponsors involved and the campus principal.

The reason for the transfer must be clearly explained. A transfer from the principal's account to a student group shall not be considered a loan. A request to make the transfer shall be sent to the Finance Department. The transfer shall take place via a journal entry. Budget transfer forms are not to be used for this type of transfer since it is considered a transfer of actual funds and not a budget transfer or amendment.

Student groups will not be allowed to transfer funds to other student groups unless minutes of the student group's meeting exist which show the majority of the students elected to make the transfer.

**9.10 Budget Transfers**

Budgets can be changed for Campus Activity Funds in order to reflect a more accurate amount as the year progresses. All transfers must be within the same sub-object, and there must be actual funds in the account to make the transfer. There are two types of budget transfers that can be made:

- a) Budget transfers from one expense account to another expense account must be requested on-line through a BCR. Enter on screen WFN 7430 – “Expenditure Accounts Only”. Fund, function, and sub-object account codes must remain the same.

Example:

From: 461-36-6499-00-Campus	\$500.00
To: 461-36-6412-00-Campus	\$500.00

To appropriate for student travel

- b) A budget transfer to increase the Campus Activity budget when the actual balance is greater than the amount budgeted must be requested on-line through a BCR. Enter on screen WFN 7415 – “Revenue and Expenditure Accounts”. Fund, function, and sub-object account codes must remain the same.

Example:

To: 461-00-5755-00-Campus	\$500.00
To: 461-36-6499-00-Campus	\$500.00

To increase budget for more revenue received than anticipated.

## SECTION 10: TRAVEL

### 10.1 District Travel Policies

All travel expenditures, regardless of the source of funding, must be in compliance with the District's travel policy. Travel policies are established to (1) ensure compliance with the business expense regulations of the Internal Revenue Service, (2) comply with applicable state laws, and (3) establish a standard set of equitable guidelines for all persons traveling on behalf of the District.

Student Activity Funds may be used to pay for travel expenses by club members, sponsors, and chaperones. Any travel expenditures incurred must be in compliance with the District's travel policies. District personnel are prohibited from transporting students in personal vehicles.

The original receipts for travel expenses must be turned in immediately after return of trip. For hotel expenses, an itemized list of charges is required.

The following items will be paid for District approved trips:

1. Fees Admission and registration fees will be paid when travel has been properly approved. A receipt is required upon return from trip.
2. Meals **Students:** Student meals should not exceed \$7.00 per student. When students travel outside the Rio Grande Valley, an additional allowance may be granted. A detailed original receipt is required and excess monies shall be re-deposited to the expense account.  
  
**Employees:** See the District's travel policy for details on travel expenses and the forms to use to obtain permission to travel and advances or reimbursements.
3. Mileage Mileage shall not be reimbursed from activity funds as all travel expenses shall include students and requires a district mode of transportation. Bus charters are not encouraged.
4. Airfare Airfare may be pre-paid provided all the necessary documents are submitted to the Business Office and the proper authorization has been granted. Arrangements with a travel agency are preferred.
5. Rentals To the extent possible, District transportation shall be used. Bus charters may be requested if absolutely necessary and approved with the trip request. Proof of insurance is required when a bus charter is used.  
  
Shuttles or taxis may be reimbursed if the original receipt is submitted with the payment request for a properly approved trip. Airport and hotel parking fees may be reimbursed.
6. Lodging The activity sponsor shall secure lodging at the most reasonable price. Lodging costs must not exceed the Federal Maximum Per Diem Rates.

- 7. Phone Calls      Business telephone calls may be reimbursed.
  
- 8. Chaperones      Non-employee chaperones or parents will be allowed to accompany students on school approved travel as required by the District.

The following expenses will not be paid by the District: alcoholic beverages, personal phone calls, sales tax, pay per view movies, room service, tips, and traffic citations.

## SECTION 11: PROFESSIONAL SERVICE CONTRACTS

### 11.1 *Policies for Contracted Services*

All individuals who render services for the District must complete the Consultant Services Contract Form prior to performing the service. Contract services shall be paid on a fee basis for professional services that are usually considered to be temporary or short-term in nature. Reimbursement for meals or other contracted expenditures shall be agreed upon before signing the contract.

The following procedures govern the use of service contracts:

#### 1. **Non-employees - *Disc jockeys, judges, puppeteers, speakers, etc.***

Payments to non-district personnel for contracted services should be authorized on an approved Consultant Services Contract Form. This Consultant Services Contract should be completed and approved prior to the services being performed. A completed W-9 and criminal history certification should be obtained as applicable. Contractors should always be paid via an approved check; personal funds or cash should never be used and then reimbursed by the activity fund.

Requests for payments shall be submitted to the Accounts Payable Department with the Consultant Services Contract and other supporting documentation. Payment will be mailed to the contractor.

Contracted parties shall pay all of their own expenses and then be reimbursed by the District. Reimbursement shall be made only for those expenses agreed to when the contract became enforceable. Original receipts shall accompany all requests for reimbursable expenses. Reimbursed expenses shall comply with the District travel policies and procedures.

#### 2. **Employees - Unrelated Services Performed**

Employees who operate a **business** unrelated to the kind of work performed for the District shall be considered a contracted party and must follow the same payment procedures as outlined above. The employee's Consultant Service Contract must indicate that the contracted party is an employee of the District. The Consultant Service Contract shall be performed in the evening, weekend, and summer, during vacation or holiday, or other times when the employee would not be required to report to work. An employee shall not be contracted by the District if the employee does not have an employer identification number.

The District shall not give preference to employees who operate a business when the same service can be provided from another individual or firm at a lower cost. The same rule shall apply to purchases.

#### 3. **Employees - Related Services Performed**

If the need arises for a campus to compensate a District employee for services performed beyond their regular duties; e.g. maintenance employees who set up a school facility during off-duty hours, school personnel judging contests outside

the normal school day, etc., the employee shall be compensated through the District's Payroll Department. Proper authorization for such payments should be approved prior to any supplemental duties being performed. Check with the Payroll Department for the correct account number and benefits line items required for the payroll expenditures to be incurred.

## **SECTION 12: FUNDS FROM OUTSIDE ORGANIZATIONS**

*The principal is not responsible for funds collected, disbursed and controlled by parents, patrons, PTO's, booster clubs or alumni associations as these funds are not the responsibility of the District and should not be accounted for in the Student Activity Funds.*

### **12.1 Faculty Funds - (See Staff Account Section 7.6)**

Faculty Funds are considered to be staff funds and accounted for in the 461 Campus Account. There should not be separate bank accounts to account for staff funds.

### **12.2 Non-profit Organizations**

School facilities shall not be used to advertise, promote, sell tickets, or collect funds for any non-school related purpose without prior approval of the Superintendent or designee. Non-school related organizations may use school facilities only in accordance with Board Policies GKD (LOCAL) and (LEGAL).

Non-profit organizations such as PTO's and booster clubs must follow the approval requirements used by student organizations when holding money raising activities on campus. These organizations are not allowed to fundraise during the school day. The non-profit organization is required to complete the Fundraising Application for Outside Organizations. The organization must include their employer identification number on the application to be considered a legally formed organization and be given consideration to conduct the fundraiser. Once the fundraising request is approved or denied, the application will be forwarded to the organization and a copy kept on file by the campus with other fund-raising activities. Any requests denied shall be kept on file for record.

Non-profit organizations are independent of the District and as such, the District does not control or otherwise help manage their activities. In an effort to remain independent in fact and appearance, employees who are members, advisors, or otherwise associated with non-profit organizations should not be responsible for the organization's fundraisers or the organization's finances.

Employees are restricted from handling funds belonging to these groups during the regular school hours or when acting as an employee of the District. Keeping in line with the matter of independence, District property shall not be used to store or maintain assets for non-profit organizations.

All non-employees participating in fundraisers during school athletic events must be cleared through our Raptor System. An ID badge will be issued by the District to approved members.

Student and employee participation in fundraising activities sponsored by a PTO is allowable; however, employees cannot be involved with receipting, depositing or accounting for money raised by the PTO. Fundraising activities of booster clubs may not involve students, a student body, or school sponsored groups or its sponsors during the regular school day.



### **12.3 Political/Sectarian**

School facilities shall not be used to advertise, promote, sell tickets, or collect funds for any organization or program defined as political or sectarian in nature, without prior approval by the Superintendent or designee.

### **12.4 Solicitations**

No outside organizations, commercial enterprises, or individuals may solicit contributions from students within the school. Charitable organizations shall be allowed to place collection boxes in the school buildings, provided no pressure to contribute is exerted on the students at any time.

### **12.5 Donations**

Donations to the District may be either tangible items or money. Donation of cash should be accompanied by a letter with the donation specifying the amount and the intended purpose of the gift. Donated funds shall be used for the purposes set forth by the donor. When no purpose is specified, the principal may use them to benefit the largest possible number of students.

Donations of tangible items may also be accepted by the District. These items may be accepted by the principal. A Donation Form must be completed for both cash and non-cash donations. The form includes the donor's identification, the purpose of the donation, the amount donated or a brief description of the item donated and the estimated value.

Donations of fixed assets should not be accepted at the campus level. These items should be reported to the Assistant Superintendent for Finance & Operations to consider the advisability of accepting the gift, considering possible installation costs, upkeep, on ongoing costs associated with the gift. If after evaluation, it is decided to accept the gift, the principal shall be notified. If any questions concerning donations arise, consult the Assistant Superintendent for Finance & Operations before accepting the donation.

### **12.6 Accounting for Donations**

The principal (or department coordinator) may accept contributions from outside groups to help defray the costs of on-going operations at the school. The principal shall ensure that cash donations are deposited into the Campus Activity Fund, account number 461-00-5744-00-Campus when the donation is to benefit the campus as a whole. If a donation is made to benefit a particular student group, the donation should be deposited to the student group's donation account.

All costs from field trips, banquets, tournaments, or other school related activities shall be transacted through the activity funds. Any costs reimbursed to the district from non-profit organizations shall be deposited into the activity fund account for the specific student group or campus as is described in the preceding paragraph. Donations received while soliciting sales during a fundraising activity shall be deposited to the donation account for the specific student group.

## **SECTION 13: STATE, LOCAL SALES AND FEDERAL EXCISE TAXES**

### **13.1 Taxable Status of Purchases**

All items purchased by a public school for the school's own use qualifies for an exemption from sales tax if the items purchased relate to the educational process. The school district should provide the seller a Texas Sales and Use Tax Exemption Certificate as needed. Generally, a purchase order is sufficient proof of a school's exempt status. The certificate/purchase order authorizes the vendor to make the sale tax exempt.

For an exemption certificate to be valid it must state that the merchandise being purchased is for the organization's own use in providing education; that it is being made in the name of the organization; and, that the payment shall be made from the organization's own funds. Sales and use tax exemption numbers or tax exempt numbers do not exist and the exemption forms require no number to be valid.

The school district will not reimburse employees for sales tax they incur on purchases made on behalf of the district. To keep the person who makes the purchase from having to absorb the sales tax, complete and give them a Texas Sales and Use Tax Exemption Certificate before they make the purchase.

Purchases made by individuals for their own use, even though connected with a school or school organization are not tax exempt. For example, pizza deliveries for students that the teacher wants to pay for, cheerleaders purchasing their own uniforms, band members purchasing their own instruments, and athletes purchasing their own letter jackets are not tax-exempt.

Charges for items purchased for a fundraising activity by the District should not include a sales tax. Uniforms, school supplies, parking permits, T-shirts, or other items needed to operate a program should also be a non-taxable purchase from the vendor.

To avoid duplication of payment on sales taxes, the vendor should be provided a Texas sales tax resale certificate showing the District's sales tax permit number. If the vendor already has the certificate on file, the items purchased at a later date for resale shall note such intention.

Parent organizations, booster clubs, faculty, and other independent groups are prohibited from using the District's sales tax permit number. These groups must apply for their own sales tax permit number from the State Comptroller's Office. In order to qualify for a permit, they must have obtained an employer identification number from the Internal Revenue Service.

Unless exempted, these groups are responsible for collecting, reporting, and remitting their own sales taxes to the state.

### **13.2 Sales**

Sales tax must be collected for all taxable sales and/or fundraisers held by the campuses or student groups.

### **13.3 Accounting for Sales Taxes**

The activity fund receipt shall show when taxes have been collected by recording the appropriate amount to the sales taxes payable account (2181). The sales tax shall be deposited into either Fund 461 or Fund 865, depending on the source of the funds. The difference between the taxable sales and the sales tax due shall be recorded as revenue.

The Finance Department is responsible for preparing the quarterly sales tax reports and submitting sales tax collections to the State Comptroller's Office.

#### **1. Taxable Items**

The following list of items or activities have been identified as being taxable when sold or sponsored by a school, or by an organization within a school.

Art Supplies

Athletic equipment and uniforms

Automotive - parts & supplies

Auctions - Items sold at silent auctions

Band Equipment & Supplies - reeds, recorders

Books, the sale of cookbooks, library books, workbooks, calculators

Candles

Clothing - T-shirts, all other clothing items

Concession sales (except when part of a fundraiser)

Copies - collection from coin or manual copiers

Cups - Glass, plastic, paper, etc.

Directories - student

Drafting supplies

Gift wrap paper, balloons, etc.

Handicrafts

Horticulture items

Lock sales

Lock rental fees (not the deposit portion)

Magazines - when sold individually and not used for educational purposes

Magazine subscriptions for less than 6 months

Musical supplies - recorders, reeds  
Pennants  
Pictures – school, group (if school is seller)  
Pompoms  
Pre-Vocational Lab Sales - printing, paper goods, etc.  
Programs - athletic, etc.  
Records- musical  
Rings - school  
School store-all items sold by the school stores as school supplies  
Stationery  
Towel rentals to students  
Tickets sold to play a game at a booth for a prize  
Uniforms - P.E., cheerleader (when student property)  
Vending - pencils and other non-edible supplies  
Yearbook - unless one of two, one-day tax-free sales

**2. Not Taxable Items**

The following list of items or activities have been identified as being not taxable when sold or sponsored by a school, by an organization within a school.

Ads – in yearbooks, programs, newspapers  
Commission received from the sale of telephone service paid for by inserting coins into coin-operated telephones.  
Discount cards/coupon books  
Dues  
Fees-clinics and workshops, club membership  
Fines- textbooks, library books  
Gym usage fees  
Jog-a-thon, walk-a-thon  
Labor for auto repairs  
Lost textbook payments  
Magazine subscriptions greater than 6 months

Newspapers

Parking Permits (students and staff)

Summer school tuition fees

Summer school bus fees

Tickets for admission to athletic events, dramas, dances, school carnivals

Vending machine sales of soft drinks and candies (during the school day)

### 3. Food Sales

Refer to the Texas Public School Nutrition Policy and the Mission CISD School Nutrition Policy regarding food sales. Food service - left over bakery items sold at the end of a school day are not taxable.

Food sales are exempt when sold by a school or student group during a regular school day pursuant to an agreement with the proper school authorities.

Soft drinks, candy, popcorn, etc. are not taxable when sold at campus dances or similar events after a regular school day if the sales are part of an organization's fundraiser.

All athletic event concession sales are not taxable if they are part of a fundraising event with all net proceeds going to the organization or student group.

Food in containers may be taxable if the value of the container exceeds 50% of the total value of the item for sale.

For example: If a tin can of cookies is sold for \$5.00 each and the price for the tin can and cookies are not stated separately, but the tin can has a value of \$2.00 while the cookies are worth \$3.00, the transaction is not taxable because the cookies are over 50% of the total value of the tin and cookies.

On the other hand, if the tin can has an estimated value of \$3.00, the transaction is taxable because the tin can is over 50% of the total value of the tin can and cookies.

If a tin can of cookies is sold for \$5.00 each and the price for the tin can and cookies are stated separately, the sale of the tin can is taxable. The sale of the cookies is not.

Meals during school trips - Sales taxes are not due on meals purchased by a school for an athletic team, band, debating club, or similar school-supervised organization on a school-approved trip. For a school district to take advantage of this rule, a completed Texas Sales and Use Exemption Certificate should be given to a school district representative traveling with the group. The exemption certificate should be presented at the restaurant prior to the bill being prepared. This applies only to the group as a whole when there is one bill.

Meals for individuals traveling with the group who decide to eat at a different restaurant are **taxable**.

4. **Vending Machines** - Vending machines may be placed in the District's schools, subject to the certain restrictions. The principal, subject to FMNV policies, shall approve the number and location of soft drink and food vending machines within the school building. No soft drink or food vending machine may be operated in violation of the National School Lunch Program guidelines governing the school lunch program or the District's Health Advisory Council.

The profits from vending machines shall be deposited into the appropriate activity account and used for the benefit of the group generating the revenue or as required by the campus principal.

All soft drink and food vending machines shall be vendor-serviced. That is, the company will be responsible for stocking the machines, collecting revenue, and distributing the profits to the District. The Business Office shall be responsible for distributing the campus' share of earnings as soon as practicable after receipt of the commission.

Profits from the vending machines located in teacher lounges shall be deposited into the staff account in the campus activity fund.

5. **Cheerleader Uniforms** - Cheerleader uniforms are taxable unless sold to an exempt entity. The District is exempt; however, students attending the schools are not exempt. Therefore, if a school buys two uniforms for each cheerleader and each cheerleader pays for one of those uniforms, then **the uniform paid for by the cheerleader is taxable.**
6. **Workshops and Clinics** - a flat fee charged by a school's organization to put on a workshop or clinic is not taxable. Tangible items incidental to putting on the clinic/workshop that the attendees keep are not considered taxable when included in the flat fee. However, sales taxes are due on the costs of the items purchased for distribution to attendees at the workshop/clinic if the attendee keeps the items.
7. **Lodging** – Lodging for District employees and students traveling on official business is not subject to Texas state sales tax. However, local hotel taxes are applicable.
8. **Associations** - Associations must obtain their own federal identification
9. **Toll Free Number** - The toll free telephone number for the State Comptroller's Office in Austin is 1-800-252-5555. This office can assist in answering questions regarding sales tax.
10. **Out-Of-State Purchases** - 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 taxes 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 taxes at time of purchase, it should be done.

### 13.4 **One-Day Tax-Free Sales**

Effective August 30, 1993, each school district, each school and each bona fide chapter of each school is allowed to have two (2) one-day tax-free sales per calendar year.

One-day tax-free sales mean that sales taxes do not have to be collected and remitted to the state on these type sales. However, the sales must be reported on school's monthly tax reports to central office. One-day tax-free sales shall be shown separately on sales tax reports. The report should include the description, the date, and the total amount collected for the one-day tax-free sale.

Items sold at one-day tax-free sales should be purchased tax-free by issuing a Texas Sales Tax Resale Certificate to the seller. An organization is not required to obtain a sales tax permit if it does not sell other taxable items during a calendar year.

A one-day tax-free sale may add to the profitability of a fundraiser and/or reduce the total costs to the buyers. Proper planning can qualify an organization's fundraiser as one-day tax-free sales. One way to qualify a fundraiser as a tax-free sale would be to deliver the items being sold to the buyers on a single day. In the case of pre-ordered and pre-paid sales, the date the items are delivered by the vendor to the seller can be designated as the one-day tax-free sales day.

The sale of yearbooks may be chosen by a school to be one of its two (2) one-day tax-free sales. Yearbooks are taxable unless chosen to be a tax-free sale.

Book fairs and brochure sales do not qualify as a one-day tax free sale because the District acts in the capacity of an agent for the vendor and is not actually the seller. As an agent, the District receives a commission and is not eligible for the one-day tax-free sale. Taxes should be collected and paid to the vendor for these type of sales. The vendor is then responsible for remitting taxes collected to the State Comptroller.

**Return of Unsold Items:** If items for a fundraiser are received from a vendor under an agreement that the vendor will take back the items that do not sell, then those fundraisers do not qualify as a one-day tax free sale.

### 13.5 Collection and Remittance of Sales Taxes

The school shall collect sales tax on all taxable sales. The present sales tax rate is 8.25% (6.25% State and 2.00% Local - City of Mission). When imposing sales tax, the school has the option of:

- a. **Adding the tax to the selling price of the item:** Thus, if the selling price of an item is \$1.00 and the tax rate is 8.25%, the school would collect \$1.08 from the buyer for each item sold. The school would recognize \$1.00 as revenue and record \$.08 as sales tax due.
- b. **Adjusting the selling price to include sales tax:** If the sales price of an item is \$1.00, including tax, the school would retain \$0.92 and remit \$0.08 for sales tax.

The sales tax is calculated as follows: \$1.00 divided by 1.0825 = \$0.92. The \$0.92 is considered the sales revenue and the difference of \$0.08 is the sales tax due to the State.

Example: Total sales = \$150.00, tax rate = 8.25%

$$\$150.00 / 1.0825 = \$138.57$$

$$\text{sales revenue} = \$138.57, \text{ sales tax} = \$11.43$$

Call the Internal Auditor at ext. 5511 or Finance Bookkeeper at ext. 5516 if you need help in this area. The Finance Department will be responsible for reporting the sales tax and remitting payment to the State of Texas.



## SECTION 14: YEAR END PROCEDURES

### 14.1 *May Procedures*

Before the student activity fund clerk leaves for the summer, the following procedures must be completed.

1. The student activity fund clerk must assure all bills are paid and cash on hand is receipted and deposited. All receipts must be turned in for posting.
2. Petty cash or change funds should be deposited and closed out.
3. All documents should be filed and organized.
4. Follow any special instructions received from the Business Office or Internal Auditor.

### 14.2 *August Procedures*

1. Upon returning from summer break, the activity fund records shall be reviewed for changes in account balances and other corrections.
2. Any documents that were turned in on a temporary basis shall be picked up from the respective individuals.
3. All outstanding invoices must be paid by August 31st, fiscal year end.
4. Any cash on hand at August 31st shall be deposited on that banking day.
5. Club balances at the end of the fiscal year will be carried forward the following year. This journal entry will be prepared by the Finance Department. High School clubs may roll forward the balances for their classes by submitting a request to the Business Office by August 15th.
6. Interest earned, based on the activity fund balance at the end of August, will be distributed to each campus by the Finance Department.
8. Internal audit reports should be reviewed by the campus principal and recommended changes implemented. Corrective action is expected and will be reviewed by the Internal Auditor on the subsequent visit to the campus.
9. Inventory shall be taken of the school store if it is operating at August 31st.

#### Contacts regarding this manual:

Becky Magee, CPA, Internal Auditor  
Phone 323-5511, Fax 323-5624  
E-mail: [bmagee@mcisd.org](mailto:bmagee@mcisd.org)

Oralia Delgado, Finance Bookkeeper  
Phone 323-5516, Fax 323-5625  
E-mail: [odelgado@mcisd.org](mailto:odelgado@mcisd.org)

## ACTIVITY FUND FORMS

# Mission Consolidated Independent School District

## Fundraising Application for Activity Funds

**This application must be properly approved prior to commencing fund-raiser**

Campus: \_\_\_\_\_ Club: \_\_\_\_\_ Sponsor: \_\_\_\_\_

Type of Sale: \_\_\_\_\_ Vendor: \_\_\_\_\_

Beginning date: \_\_\_\_\_ Ending Date: \_\_\_\_\_ Time: \_\_\_\_\_

Location of fundraiser: \_\_\_\_\_

Benefit and Purpose of fundraiser (be very specific): \_\_\_\_\_

\_\_\_\_\_

Product cost per unit: \_\_\_\_\_ Sales Price or %-age Commission: \_\_\_\_\_

Anticipated Revenues:	\$	
Less Costs of Fundraiser:	\$	
Anticipated Profit:	\$	

\_\_\_\_\_

I am familiar with the school and district policies regarding the sale of merchandise at school and in the community. By signing below, I agree to abide by the District's requirements and be accountable for the above named fundraiser.

I agree to submit a Fundraiser Report to the student activity fund clerk within 30 days after completion of this fundraiser.

Club Sponsor's Signature	Date	Representative at Meeting to Consider Approval
--------------------------	------	------------------------------------------------

\_\_\_\_\_

**Approval at Campus Level:** (Campus Principal)

Approved: \_\_\_ Yes \_\_\_ No      Signed: \_\_\_\_\_ Date: \_\_\_\_\_

**Athletic Coordinator:** (if applicable)

Approved: \_\_\_ Yes \_\_\_ No      Signed: \_\_\_\_\_ Date: \_\_\_\_\_

**Athletic Director:** (Required if Requesting Use of Stadium)

Approved: \_\_\_ Yes \_\_\_ No      Signed: \_\_\_\_\_ Date: \_\_\_\_\_

**Approval at Central Office:**

Approved: \_\_\_ Yes \_\_\_ No      Signed: \_\_\_\_\_ Date: \_\_\_\_\_

**MISSION CONSOLIDATED INDEPENDENT SCHOOL DISTRICT  
FUNDRAISING APPLICATION FOR OUTSIDE ORGANIZATIONS**

This application is required of an authorized representative of any independent school organization who wishes to use a school facility for a money-raising activity. This form is for documentation purposes only in considering the organization's request. The District does not assume responsibility for the accountability of the fundraiser or for the actions of the individuals involved with the organization.

Name of Organization: \_\_\_\_\_

Employer ID Number: \_\_\_\_\_

Authorized Representative: \_\_\_\_\_

Position with Organization: \_\_\_\_\_

E-mail Address / Phone Number: \_\_\_\_\_

Type of Fundraiser: \_\_\_\_\_  
\_\_\_\_\_

Location of Fundraiser: \_\_\_\_\_  
Campus Area

Date of Fundraiser: \_\_\_\_\_ Time : \_\_\_\_\_

**Please Answer the following questions:**

- Will fundraiser be held in conjunction with a school event?  Yes  No
- Will school employees be required to participate during working hours?  Yes  No
- Will students be required to participate?  Yes  No
- Will your customers be comprised of mostly students?  Yes  No
- Will some or all students benefit from this fundraiser?  Yes  No

Note: Outside organizations are not allowed to fundraise during the school day. Raffles, bingos, or other games of chance are not allowable fundraisers.

All members of the organization participating in the fundraiser must provide a Texas Driver's license or Texas ID card to be scanned through our Raptor System. The District will issue ID badges to approved members participating in fundraisers at school athletic events.

\_\_\_\_\_  
Signature of Authorized Representative Date

\_\_\_\_\_

Principal:  Approved  Denied Signed: \_\_\_\_\_ Date: \_\_\_\_\_

Athletic Director  
(if applicable):  Approved  Denied Signed: \_\_\_\_\_ Date: \_\_\_\_\_

Athletic Coordinator  
(if applicable):  Approved  Denied Signed: \_\_\_\_\_ Date: \_\_\_\_\_

Central Office:  Approved  Denied Signed: \_\_\_\_\_ Date: \_\_\_\_\_

**MISSION CONSOLIDATED INDEPENDENT SCHOOL DISTRICT**  
**Student Activity Collection Report**

Campus Name: \_\_\_\_\_

Sponsor Name: \_\_\_\_\_ Club: \_\_\_\_\_ Fundraiser \_\_\_\_\_

	Received From:	Grade	AMOUNT COLLECTED			Name on Check	Total Deposit
			Cash	CHECK	CHECK #		
(1)							\$ -
(2)							\$ -
(3)							\$ -
(4)							\$ -
(5)							\$ -
(6)							\$ -
(7)							\$ -
(8)							\$ -
(9)							\$ -
(10)							\$ -
(11)							\$ -
(12)							\$ -
(13)							\$ -
(14)							\$ -
(15)							\$ -
(16)							\$ -
(17)							\$ -
(18)							\$ -
(19)							\$ -
(20)							\$ -
<b>TOTAL COLLECTED:</b>			\$ -	\$ -			\$ -

\_\_\_\_\_  
 Sponsor's signature

\_\_\_\_\_  
 Date

Activity Fund Receipt # from Clerk: \_\_\_\_\_

Date: \_\_\_\_\_

Clerk's initials: \_\_\_\_\_

This form shall be used in lieu of a book receipt to account for monies collected from fund-raisers and other activities. It shall be submitted in its entirety to the clerk. A separate receipt shall be used per individual if a receipt is requested.

**MISSION CONSOLIDATED INDEPENDENT SCHOOL DISTRICT  
Student Collection Report**

SAF 3.1

Campus Name: \_\_\_\_\_

Sponsor Name: \_\_\_\_\_ Club: \_\_\_\_\_ Fundraiser: \_\_\_\_\_

	Name of Student	Grade	Amount Owed	Amount Paid	Amount Paid	Amount Paid	Amount Paid	Amount Paid	Amount Paid	Amount Paid	Total Paid	Amount O/S
1												
2												
3												
4												
5												
6												
7												
8												
9												
10												
11												
12												
13												
14												
15												
16												
17												
18												
19												
20												
21												
22												
	Total											

Activity Fund Receipt #												
Clerk's Initials												
Date												

Signature of Teacher/Sponsor \_\_\_\_\_ Date \_\_\_\_\_

This form may be used in lieu of a book receipt to account for monies collected from fundraisers and other activities. A separate receipt shall be used per individual if a receipt is requested.

**MISSION CONSOLIDATED INDEPENDENT SCHOOL DISTRICT  
STUDENT ACTIVITY FUNDRAISER REPORT**

Campus Name: \_\_\_\_\_ Type of Fundraiser: \_\_\_\_\_  
 Club Name: \_\_\_\_\_ Dates of Fundraiser: \_\_\_\_\_  
 Sponsor: \_\_\_\_\_ Collection Dates: \_\_\_\_\_

<b>DEPOSITS</b>							
Rcpt. #	Amount	Rcpt. #	Amount	Rcpt. #	Amount	Total	<b>Profit/Loss</b>
_____	_____	_____	_____	_____	_____		
_____	_____	_____	_____	_____	_____		
_____	_____	_____	_____	_____	_____		
_____	_____	_____	_____	_____	_____		
_____	_____	_____	_____	_____	_____		
_____	_____	_____	_____	_____	_____		
_____	_____	_____	_____	_____	_____		
_____	_____	_____	_____	_____	_____		
<u>SUB-TOTAL FROM ATTACHED PAGE</u>					-		
<b>Total Collections/Revenues</b>						\$	-
OUTSTANDING COLLECTIONS (ATTACH LIST OF STUDENTS)							
<b>EXPENSES</b> (Include: Sales Tax, Top Seller Awards, Credits, attach list of Donated Items)							
NOTE: Cash Payments are Prohibited							
PO#	Vendor	Purpose	Amount Paid	Total			
_____	_____	_____	_____				
_____	_____	_____	_____				
_____	_____	_____	_____				
_____	_____	_____	_____				
_____	_____	_____	_____				
<u>SUB-TOTAL FROM ATTACHED PAGE</u>			-				
<b>Total Expenses</b>				\$	-		
(Provide written explanation for loss)						<b>Net Profit (Loss)</b>	\$ -

Sponsor's Signature \_\_\_\_\_ Date \_\_\_\_\_ Principal's Signature \_\_\_\_\_ Date \_\_\_\_\_

This form shall be prepared by the club sponsor and submitted to the internal auditor within 30 days after a fund-raiser. The activity clerk shall keep a copy of this report on file with the corresponding fundraiser application.

Note: To Accounting from Campus Principal:  
 Please transfer 25% of the net profit to the staff account 461-"01" for the purpose of staff incentives.

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

## **MISSION CONSOLIDATED INDEPENDENT SCHOOL DISTRICT PROCEDURES AND REPORTING REQUIREMENTS FOR SCHOOL STORE**

### GENERAL INFO / PURCHASES

- Complete a "Fundraising Application", listing the type of items to be sold
- Nutrition Policy restrictions regarding what items may be sold and when and where sales may take place must be followed
- Obtain an approved purchase order before purchasing items for resale
- Only items listed on the purchase order may be purchased
- Enter purchases on "School Store Sales Report" at cost and retail
- Complete a donation form for items donated for resale

### DEPOSITS FOR STORE SALES

- Record school store items given away free as incentives/rewards and spoiled/damaged items on the "Report for Free and Non-saleable Items", if no vendor credit will be given
- Seller deposits collections with the Student Activity Clerk
- Student Activity Clerk recounts money with seller present and prepares receipt
- Seller signs receipt and receives white copy
- Deposit (net of sales tax) is entered on "School Store Sales Report"

### END OF MONTH PROCEDURES

- Count the remaining merchandise on hand as of the last day of the month and record on the "School Store Inventory Report"
- Complete the "Report for Free and Non-saleable Items" and record totals on the "School Store Sales Report"
- Enter the "Carryover Loss" from the preceding month, if applicable
- Complete the "School Store Sales Report" by entering the beginning and ending inventory amount at retail

### STAFF INCENTIVES – 25% OF NET PROFIT

- Total cash deposits net of sales tax less the total purchases (invoice amount) equals the net profit for the month
- If the profit calculated the previous month was a negative amount, enter on the "School Store Sales Report" as a carryover loss.
- 25% of the net profit less any losses from previous months is eligible to be transferred to the staff account.

### CLOSING REPORT

- Beginning Inventory + Purchases at retail – Deposits (cash sales, free and non-saleable items) = Ending Inventory at retail, if the amount calculated does not equal ending inventory then investigate and correct or explain discrepancy
- Principal must review and sign reports
- Send all school store reports to the internal auditor by the 10th of each month
- A journal entry will be prepared to transfer 25% of the net profit to the staff account





**MISSION CONSOLIDATED INDEPENDENT SCHOOL DISTRICT**

**School Store Sales Report - Taxable Items**

(Due by the 10th of each month)

Campus: \_\_\_\_\_ Month of Sales: \_\_\_\_\_ Prepared by: \_\_\_\_\_ Date: \_\_\_\_\_

Beginning Inventory @ Retail . . . . . \$ \_\_\_\_\_ - Ending Inventory @ Retail . . . . . \$ \_\_\_\_\_ -

Date	CR #	DEPOSITS				PURCHASES	Invoice Amount	RETAIL VALUE OF PURCHASES					Total		
		Deposit	Sales Tax	Free/	Total			Vendor/PO#		Invoice Amount	@ .25	@ .50		@ .75	\$1.00
		5755-00	2181	Damaged											
Monday					-								-		
Tuesday					-								-		
Wednesday					-								-		
Thursday					-								-		
Friday					-								-		
Monday					-								-		
Tuesday					-								-		
Wednesday					-								-		
Thursday					-								-		
Friday					-								-		
Monday					-								-		
Tuesday					-								-		
Wednesday					-								-		
Thursday					-								-		
Friday					-								-		
Monday					-								-		
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Tuesday					-								-		
Wednesday					-								-		
Thursday					-								-		
Friday					-								-		
		-	-	-	-		-	-	-	-	-	-	-		
Cash Deposits	_____	Less Purchases	_____	= Profit	_____		Transfer to 461-00-5755-01-	_____	-000-000.....		\$		0.00		
	-	Less Carryover Loss		X 25% =	-		<b>Principal:</b>				<b>Date:</b>				

NOTE: Beginning Inventory + Purchases at Retail - Deposits should equal Ending Inventory (If not in balance, investigate and correct or explain discrepancy)

\_\_\_\_\_- + \_\_\_\_\_ - \_\_\_\_\_ = \_\_\_\_\_

Carryover Loss for Next Month 0.00 56

# MISSION CONSOLIDATED INDEPENDENT SCHOOL DISTRICT

## Report for Free and Non-saleable Items at School Store (To Be Completed by Seller)

Month of Sales: \_\_\_\_\_

Campus: \_\_\_\_\_

Prepared by: \_\_\_\_\_

	Date	Free Items						Non-Saleable Items (Do Not Include Vendor Credits!)				Total Items at Retail Value
		@ .25	@ .50	@ .75	@ 1.00	total		@ .25	@ .50	total		
Monday						-				-	-	
Tuesday						-				-	-	
Wednesday						-				-	-	
Thursday						-				-	-	
Friday						-				-	-	
Monday						-				-	-	
Tuesday						-				-	-	
Wednesday						-				-	-	
Thursday						-				-	-	
Friday						-				-	-	
Monday						-				-	-	
Tuesday						-				-	-	
Wednesday						-				-	-	
Thursday						-				-	-	
Friday						-				-	-	
Monday						-				-	-	
Tuesday						-				-	-	
Wednesday						-				-	-	
Thursday						-				-	-	
Friday						-				-	-	
Monday						-				-	-	
Tuesday						-				-	-	
Wednesday						-				-	-	
Thursday						-				-	-	
Friday						-				-	-	
Monday						-				-	-	
Tuesday						-				-	-	
Wednesday						-				-	-	
Thursday						-				-	-	
Friday						-				-	-	
<b>Retail Value</b>		-	-	-	-	-		-	-	-	-	

COMMENTS: \_\_\_\_\_  
 \_\_\_\_\_

**Principal:** \_\_\_\_\_

**Date:** \_\_\_\_\_

# MISSION CONSOLIDATED INDEPENDENT SCHOOL DISTRICT

## School Store Inventory (Due by the 10th of each month)

Campus: \_\_\_\_\_

Month: \_\_\_\_\_

<b>Vendor:</b>														
Product @ 0.25	Units	Inventory			Product @ 0.25	Units	Inventory		Product @ \$ 1.00	Units	Inventory		Inventory	
		# of Doz.	Singles	at Retail			Qty.	at Retail			Full Boxes	at Retail	Single Items	at Retail
	12			-		24		-		12		-		-
	12			-		36		-		18		-		-
	12			-		48		-		20		-		-
	12			-		60		-		24		-		-
	12			-						36		-		-
	12			-						48		-		-
	12			-	<b>Product @</b>					60		-		-
	12			-	<b>0.50</b>									
						24		-						
						36		-						
						48		-						
						60		-						
					<b>Product @</b>									
<b>Product @</b>					<b>0.75</b>									
<b>0.50</b>						24		-						
	12			-		36		-						
	12			-		48		-						
	12			-		60		-						
	12			-										
	12			-										
	12			-										
	12			-										
<b>Subtotals</b>		-	-	-							-	-	-	-
<b>Grand Total of Inventory @ Retail</b>														-

Counted by: \_\_\_\_\_ Date: \_\_\_\_\_

**MISSION CONSOLIDATED INDEPENDENT SCHOOL DISTRICT  
DISTRIBUTION OF MONEYS TO STUDENTS**

\_\_\_\_\_  
Name on Check

\_\_\_\_\_  
Check Number

\_\_\_\_\_  
Reason for Money Distribution

\_\_\_\_\_  
Account Number

**By signing below, I affirm that I received the amount indicated beside my name.**

	\$ AMOUNT	Student's Signature	ID Number (Optional)
1			
2			
3			
4			
5			
6			
7			
8			
9			
10			
11			
12			
13			
14			
15			
16			
17			
18			
19			
20			
21			
22			
23			
24			
25			
26			
27			
28			
29			
30			

Signed: \_\_\_\_\_ Date: \_\_\_\_\_

MISSION CONSOLIDATED INDEPENDENT SCHOOL DISTRICT  
LOST TEXTBOOK/LOST LIBRARY BOOK REIMBURSEMENT

\_\_\_\_\_  
(CAMPUS NAME)

VENDOR #: \_\_\_\_\_

PARENT NAME & ADDRESS:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

TELEPHONE NUMBER: \_\_\_\_\_

SOCIAL SECURITY #: \_\_\_\_\_

PLEASE REIMBURSE THE PARENTS OF:

STUDENT NAME: \_\_\_\_\_

STUDENT ID#: \_\_\_\_\_

FOR THE RETURN OF:

\_\_ LOST TEXTBOOK

\_\_ LOST LIBRARY BOOK

461 00 5749 31 \_\_\_\_ 000 000

461 00 5749 36 \_\_\_\_ 000 000

CASH RECEIPT # \_\_\_\_\_ (Please attach copy of cash receipt)

NAME OF BOOK(S):

AMOUNT:

\_\_\_\_\_  
\_\_\_\_\_

\$ \_\_\_\_\_  
\$ \_\_\_\_\_

MAIL CHECK TO: \_\_\_\_ PARENT \_\_\_\_ STUDENT

\_\_\_\_\_

\_\_\_\_\_

SIGNATURE OF PRINCIPAL OR  
ASSISTANT PRINCIPAL

DATE

MISSION CONSOLIDATED INDEPENDENT SCHOOL DISTRICT  
STUDENT GROUP/CLUB CHARTER  
SCHOOL YEAR: \_\_\_\_\_

Campus: \_\_\_\_\_ Club Account #: \_\_\_\_\_

Club/Organization Name: \_\_\_\_\_

Sponsor: \_\_\_\_\_

Purpose (or attach copy of bylaws/constitution): \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Requirements for membership: \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_

Dues (amount & frequency): \_\_\_\_\_

Meetings (time and place): \_\_\_\_\_

\_\_\_\_\_

Club officers (attach a list of all members): \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Is this club: new this year \_\_\_\_\_, or a renewal from last year \_\_\_\_\_  
(please check one)

A summary of planned fundraising requests (including tax-free sales days) must be attached to this charter. Please use the attached form.

This form must be completed and approved within the first six weeks of the school year and a copy kept on file at the campus.

\_\_\_\_\_  
Club Sponsor Signature                      Date

Approved by Principal: \_\_\_\_\_ Date: \_\_\_\_\_

MISSION CONSOLIDATED INDEPENDENT SCHOOL DISTRICT  
 SUMMARY OF PLANNED FUNDRAISING REQUESTS  
 SCHOOL YEAR: \_\_\_\_\_

SAF 9

CAMPUS: \_\_\_\_\_  
 CLUB / ORGANIZATION: \_\_\_\_\_

Type of Fundraiser	Vendor	Date(s) of Fundraiser	Estimated Profit	Purpose	Tax Free Sale? (check if yes)

Note: Each student group/club is limited to two one-day tax free sales. Refer to section 13.4 of the Student Activity Funds Manual for further clarification.



**MISSION CONSOLIDATED INDEPENDENT SCHOOL DISTRICT**

**Acknowledgement of Responsibilities of  
Faculty Sponsors of Student Groups**

The purpose for the raising and expending of funds by student groups is for the direct benefit of the students. Fundraising activities will contribute to the educational experience of the students and will not conflict with the instructional program. Money raised by student groups and clubs will be held by the District as trustee. The faculty sponsor of a student club or group is responsible for maintaining adequate financial records as evidence of proper custodianship of money received by and disbursed by club accounts.

I hereby acknowledge that I have read the "Student Activity Fund Sponsor Supplement" and that I am responsible for complying with it. Specifically, I acknowledge that:

- 1.) All fundraising activities will be approved in advance by the student group, the principal, Central Office and the Athletic Coordinator and/or Athletic Director when applicable.
- 2.) I am responsible for both the safeguarding of funds received from or on-behalf of the students and the timely deposit of those collections with the activity fund clerk.
- 3.) A fundraiser report will be submitted within 30 days of the completion of the fundraiser.
- 4.) All purchases made on behalf of the student organization will be approved in advance through the use of purchase orders.
- 5.) I will maintain a positive balance in my student group/club account.

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

\_\_\_\_\_  
Sponsor Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Student Group/Club

\_\_\_\_\_  
Campus

**MISSION CONSOLIDATED INDEPENDENT SCHOOL DISTRICT  
STUDENT ACTIVITY FUND SPONSOR SUPPLEMENT  
2012-2013**

The policies and procedures that govern student activity funds are set forth in the Student Activity Funds Manual. This supplement contains excerpts from the Manual that are relevant to sponsors of clubs and student groups.

Definition and purpose of Activity Funds

There are two kinds of activity funds. Student Activity Funds are related to a specific club or class, and all decision-making for these funds rest with the group. Campus Activity Funds are generated by the campus as a whole, and must be spent in such a manner to benefit the campus.

The district exercises responsibility over student activity funds; that is, it serves in a custodial, or “caretaker” role for the student group’s money and the club sponsors serve in a fiduciary capacity. All decisions regarding revenue generation and expenditure authorization rest with the students. The District exercises the authority only insofar as it safeguards the assets of the group.

In contrast, the District exercises managerial authority over campus activity funds, usually through the campus principal. In this role, the principal authorizes both the revenue and expenditure activities consistent with the district’s policy.

Definition and Management of Student Groups

A student group can best be defined as a formal, organized, responsible group made up of and governed by students. The group has officers, bylaws and/or a constitution, and is responsible for its actions. A charter for each student group must be approved annually. Each student group should have a sponsor who is a school staff member.

Outside Organizations

Non-profit organizations (PTO’s, Booster Clubs, Alumni Associations, etc.) are independent of the District and as such, the District does not control or otherwise help manage their activities. In an effort to remain independent in fact and appearance, employees who are members, advisors, or otherwise associated with non-profit organizations should not be responsible for the organization’s fundraisers or the organization’s finances.

Employees are restricted from handling funds belonging to these groups during the regular school hours or when acting as an employee of the District. Keeping in line with the matter of independence, district property shall not be used to store or maintain assets for non-profit organizations.

Fundraisers

Fundraisers held by campus personnel and/or students require an approved fundraiser application before they can begin the fundraiser. Permission should be obtained at each campus from the respective student group at the campus, the campus principal, Central

Office, and the Athletic Coordinator and/or Athletic Director if applicable. The sponsor responsible for the fundraiser shall keep a copy of the approved application on file with all other documents or reports for the activity.

Fundraisers should have a definite beginning and end and should not be scheduled in conflict with other fundraisers. The District does not allow fundraisers to exceed a two-week period unless unusual circumstances warrant it.

Many types of fundraisers are available for student groups. These include sales of products, 'labor only' projects, contract labor projects, school-wide activities, and other types of projects. Raffles and other games of chance shall not be held at schools by or for school students. It is a violation for the District to hold raffles.

### Accounting for Fundraisers

Money collected from the fundraiser must be submitted to the student activity fund clerk as required, funds **CANNOT** be held until the fundraiser is complete.

The sponsor shall report the results of the fundraising activity to the student activity fund clerk within 30 days after completion of the fundraiser. The sponsor is required to:

- a. Complete and sign the Fundraiser Report. The report also requires the signature of the campus principal.
- b. Retain a copy of the Fundraiser Report.
- c. Submit a copy of the Fundraiser Report to the activity fund clerk along with a list of outstanding collections by student and a record of the inventory remaining, given away, or spoiled. If there is a loss, include an explanation.

The club sponsor must keep the Fundraiser Report with the Fundraising Application, miscellaneous receipts, the student activity fund deposit receipts, and any other information pertaining to the fundraising activity on file in case of audit.

The club sponsor should review account balances monthly as provided by the Activity Clerk by comparing to their records on file and report any differences.

### Collection of Monies

All student collections must be deposited into the campus activity fund. Multiple collections can be recorded on the Student Collection Report. It is recommended that students initial by their name. If the payee requests a receipt, a miscellaneous receipt can be prepared for the individual and the original copy shall be provided.

Miscellaneous receipts are required in the following circumstances:

- a. Partial payments from students, except fundraisers.
- b. Advertisements sold by student groups
- c. Collections on campus that require deposit into another fund
- d. Any other collection requiring a payer record for future reference

Post-dated checks and temporary checks shall not be accepted. Checks less than \$10 shall not be accepted. Persons accepting checks should ensure that the check: (1) is made payable to MCISD Student Activity Fund - Campus; (2) is dated; (3) amount is clearly identified; (4) includes the club and activity; and (5) is signed. Third-party checks shall not be accepted under any circumstances. The cashing of personal checks is not allowed.

Club sponsors/teachers should ensure that money in their possession is always safeguarded. When funds collected by club sponsors exceed \$50 and the club sponsor is not ready to make a deposit to the clerk, the money must be turned in to the clerk for overnight safekeeping. Sponsor/teacher must make a deposit of these funds within two (2) working days. Safekeeping is a temporary method to store funds and should not be used to delay the deposits of funds.

#### Procedures for Depositing Collections

Teachers, librarians, club sponsors, and other authorized persons are required to deposit their collections and supporting receipts to the student activity fund clerk. The deposits shall be made weekly, or when cash on hand - in the aggregate - exceeds **\$50**.

The club sponsor shall turn in copies of the Student Collection Report, miscellaneous receipts and any other supporting documentation to the student activity fund clerk with the moneys for deposit.

The club sponsor shall be present when the activity fund clerk reconciles the sponsor's deposit. The club sponsor shall obtain a receipt from the student activity fund clerk for the funds submitted.

The clear plastic bank bag must be used if the funds will be taken to the bank for overnight safekeeping. The sponsor must count the money before placing in the bag, write all required information on the bag, and seal the bag before leaving it with the clerk. The sponsor should also sign the log the date the bag was left with the clerk. When the bag is picked up, the club sponsor should sign the log to signify the date the bag was picked up.

#### Expenditure of Activity Funds

Purchases from the Activity Funds must adhere to the same purchasing requirements that apply to budgeted funds. Refer to the Purchasing Manual for policies and procedures.

Sponsors must have authorization from the student group and must have an approved purchase order before making any purchase in the name of the school. All expenditures from activity funds must be made by check. No expenditures should be made using undeposited cash.

Student activity funds should be used for the benefit of the students who participate in the club's activities. These funds should be expended on an annual basis so that the students who generated the funds can have the benefit of their use.

## SAMPLE INCOME STATEMENT REPORT

# SAMPLE INCOME STATEMENT REPORT

## MISSION CONSOLIDATED INDEPENDENT SCHOOL DISTRICT

Income Statement Report for Activity Funds

ABC Elementary School – 123 (Example Only)

March 31, 2012

Account Name & Account Number	8/31/2011	Total Deposits	POs Encumbered	POS/WHSE Paid	Increase/ (Decrease)	Current Balance
<b>FUND 461</b>						
<b>(.00) Student Sales</b>	<b>\$8,176.52</b>	<b>\$ 17,157.39</b>	<b>\$ 600.00</b>	<b>\$ 12,428.33</b>	<b>\$ -</b>	<b>\$ 12,305.58</b>
(.01) Staff	\$1,526.43	\$ 1,895.62	\$ -	\$ 2,003.45	\$ -	\$ 1,418.60
(.31) Lost Textbooks	\$192.98	\$ 69.50	\$ -	\$ -	\$ -	\$ 262.48
(.36) Lost Library Books	\$245.24	\$ 300.79	\$ -	\$ -	\$ -	\$ 546.03
(.37) Library	\$325.47	\$ 5,480.43	\$ -	\$ 5,612.36	\$ -	\$ 193.54
(.68) U I L	\$456.62	\$ 2,657.68	\$ -	\$ 2,998.29	\$ -	\$ 116.01
<b>Sub-Total for F461</b>	<b>\$ 10,923.26</b>	<b>\$ 27,561.41</b>	<b>\$ 600.00</b>	<b>\$ 23,042.43</b>	<b>\$ -</b>	<b>\$ 14,842.24</b>

**EXAMPLE - Determining current balance for "00" Student Sales Account**

\$8,176.52	Beginning Balance		
19,457.39	Plus: Revenues - 461 XX 5XXX 00 123	<div style="font-size: 2em;">}</div>	G/L Account Inquires From iTCC's (WFN 5915)
(500.00)	Less: Encumbrances - 461 XX 6XXX 00 123		
(18,028.33)	Less: Expenditures - 461 XX 6XXX 00 123		
\$9,105.58	Current Balance as of inquiry date		
=====			

NOTE: Enter the same sub-object for both revenues and expenditures for the account that you are determining the current balance.  
("01" for Staff, "37" for Library, "68" for UIL, etc.)

Below are general ledger inquiries from iTCCS using screen WFN 5915

CNTY-DIS: 108908	FILEID:		DATE RUN: 04/16/12
461-XX-5XXX-00.123-X-XX-X-XX	C	MISSION CISD	PROGRAM: WFN5915
TIME RUN: 11:48:52			PAGE NR.: 1
FND FCT OBJ SO ORG PROGRM	DESCRIPTION	EST. REV. AMT	REAL. REV. AMT
461 00 5744 00 223 200000	GIFTS	1,500.00	1,250.00-
461 00 5749 00 223 200000	OTHER REVENUES-LOCAL	6,500.00	6,853.30-
461 00 5929 00 223 200000	SOURC STUDENT SALES	14,020.00	11,354.09-
	REVENUES		
*** TOTAL FOR FUND 461 ***		22,020.00	19,457.39-
*** FINAL TOTAL ***		22,020.00	19,457.39-

CNTY-DIS: 108908	FILEID: C	MISSION CISD	DATE RUN: 04/16/12
461-XX-6XXX-00.123-X-XX-X-XX			PROGRAM : WFN5915
TIME RUN: 11:52:05			PAGE NR: 1
FND FCT OBJ SO ORG PROGRM	DESCRIPTION	APPROPRIATION	ENCUMBRANCE
461 36 6269 00 123 299000	RENTALS-OPERATING LEASES	300.00-	0.00
461 36 6295 00 123 299000	IN HOUSE PRINTING	50.00-	0.00
461 36 6299 00 123 299000	CONTRACTED SERVICES	700.00-	0.00
461 36 6329 00 123 299000	READING MATERIALS	100.00-	0.00
461 36 6343 00 123 299000	RESALE	6,000.00-	0.00
461 36 6399 00 123 2990TE	SUPPLIES - TECHNOLOGY	500.00-	0.00
461 36 6399 00 123 299000	GENERAL SUPPLIES	700.00-	0.00
461 36 6411 00 123 299000	TRAVEL & SUBSISTENCE-EMPLO	500.00-	0.00
461 36 6412 00 123 299000	TRAVEL AND SUB.-STUDENTS	5,000.00-	500.00
461 36 6419 00 123 299000	TRAVEL-CHAPERONES	300.00-	0.00
461 36 6494 00 123 299000	BUS TRIPS	1,000.00-	0.00
461 36 6499 00 123 299000	MISC OPERATING EXPENSES	6,870.00-	0.00
*** TOTAL FOR FUND 461 ***		22,020.00-	500.00
*** FINAL TOTAL ***		22,020.00-	500.00

EXAMPLE ONLY

MISCELLANEOUS



## **ACTIVITY FUND PROCEDURES FOR UIL MEETS AND FESTIVALS**

### **UIL Meet Procedures:**

1. The campus hosting a UIL meet must complete a *Fundraiser Application* prior to the meet. Estimate the amount of fees that will be collected and the related meet expenses (trophies, hospitality suite, etc). These expenses must be paid out of Fund 461.
2. Issue miscellaneous receipts to attending schools that bring payment with them to the meet. Deposit UIL fees to account 461 00 5749 68 ORG 300 000.
3. An *Interdepartmental Charge* form is required for payment by schools within Mission CISD. The reason for the transfer should indicate the location and date of the meet and the number of students attending. A copy (white paper) of the approved travel form is required to be attached as supporting documentation. Submit to the Internal Auditor.
4. The following are the accounts that can be used to pay for UIL fees:
  - 199 36 6412 68 ORG 399 A00
  - 461 36 6412 68 ORG 399 000
5. The campus hosting the UIL meet must submit a *Fundraiser Report* within 30 days after all UIL fees have been collected/posted and related expenses have been paid.

### **Festival Procedures/Guidelines (sponsored by campus):**

1. A *Fundraiser Application* is required prior to the Festival. Attach a list of planned activities to the application. Raffles and bingos are prohibited activities.
2. Elementary campuses may sell FMNV's (Foods of Minimal Nutritional Value) such as soda and candy on instructional days only after 5 pm.
3. Moon jumps, trains, slides, etc must be rented from a company that can provide proof of insurance.
4. Use pre-numbered tickets for festival activities. Maintain a log of all ticket numbers and reconcile the number of tickets sold to the amount of the deposit. Document any tickets given away as incentives.
5. Paraprofessional staff working at the Festival must be on the clock. Cafeteria workers must be paid with Fund 461 using account 6121. CNP will charge your account.
6. If the PTO is selling at the Festival, they must complete a *Fundraiser Application* for Outside Organizations and be responsible for collecting monies for their sales. District staff should not handle PTO funds.

## **CAMPUS ACTIVITY FUND EXPENDITURES (FUND 461) ALLOWABLE / UNALLOWABLE**

The Campus Activity Fund (Fund 461) is used for the reporting of revenues and expenditures from fundraising activities by the campuses. These funds are under the direction and control of the campus principals. The intent of these funds is to supplement the general fund in the area of awards and incentives for students and teachers for attendance and academic performance. These funds can also be used for purchases that benefit the entire campus overall. Classroom supplies and equipment may also be purchased.

The following are some examples of allowable expenditures for the campus and students:

- Incentives for all students such as t-shirts, small toys, basket balls, field days, dances
- Student Awards – certificates, medals, trophies, bicycles, Nintendo games, MP3 players, radios, portable DVD players
- Scholarships (minimum award of \$250)
- Field trips – including cost of chaperones
- Playground equipment, tracks, and security equipment
- After hour security, cafeteria workers – dances, festivals, etc.
- Trees and plants for the campus (must be approved by Maintenance Department)
- Holiday decorations – limit of \$100 per holiday
- Classroom equipment and supplies

The maximum dollar limit for each award given to a student during the school year is \$100. Any exceptions should be submitted to the Assistant Superintendent for Finance and Operations for approval.

The receipt of award and incentive items given to students must be documented with student signatures for all electronics or for any items with a unit value greater than \$25. The form used for documentation should include the date, item, student name, student ID, student signature, the principal's signature, and the reason for the award or incentive. This form should be kept on file by the campus along with a copy of the PO or invoice for audit purposes. An inventory should be taken of any remaining items to reconcile to the items purchased and given out.

### **Staff Accounts:**

The campus principal may elect to transfer 25% of any campus-wide fundraiser to the staff account. These funds will be transferred to account 461-5755-01 and may be used for staff awards and incentives. These funds should be used to benefit all campus employees and not just one group of employees.

Some examples of allowable staff expenditures:

- Meals: Thanksgiving, Christmas, Teacher Appreciation Week, End of Year
- Refreshments for in-service days
- Shirts, flowers (bereavement), cups, plaques, bags, jackets
- Coffee maker, water cooler, or refrigerator for staff lounge

**CAMPUS ACTIVITY FUND EXPENDITURES (FUND 461)  
ALLOWABLE / UNALLOWABLE**

The maximum amount for each employee award or incentive item is \$50 with an annual limit of \$100 per employee. The campus will need to track the awards or incentives given during the year to ensure that these limits are not exceeded.

**Unallowable Expenditures**

The following are some unallowable expenditures from Activity Funds:

- Gift cards/certificates for both students and employees
- Retirement gifts and holiday gifts
- Staff socials – bridal showers, baby showers, retirement, etc.
- Individual organization dues or fees
- Staff awards or incentives with a per-unit cost of more than \$50
- Replacement of an individual's property that was lost, stolen, or damaged on school premises
- Donations to individuals
- Loans to employees, students, or parents
- Any expense which appears to benefit private individuals or entities
- Expenditures prohibited by federal or state law, the Texas Education Agency, Board Policy or any other Mission CISD regulation

Note: The above lists of allowable and unallowable expenditures are not all inclusive.

Mission CISD  
Sub-Object Listing  
Fund 461/865  
2012-2013

Code	Description	Code	Description
00	Student Sales	60	Library Club
01	Staff Account	62	Woodshop
02	Charitable Causes	63	FHA
03	AVID Club	64	Business
05	Special Education	65	Foreign Language
06	Student Council	66	FCCLA
08	Sophomore Class	67	Reading Club
09	Senior Class	68	U I L
11	Freshman Class	73	Environmental Club
12	Pan American Club	75	TV Production/Video
13	National Honor Society	76	Girls' Soccer
14	Lettermen's Club	77	Spanish
17	Junior Class	79	Wrestling
18	Boy's Runners	81	Football
19	TAFE	82	Boys' Basketball
20	HOSA	83	Girls' Basketball
22	Girls' Athletics	86	Girls' Volleyball
24	SADA/KADA	87	Baseball
25	FBLA	88	Tennis
27	Cheerleaders	89	Golf Club
28	Valley Youth Program	90	Swimming
2H	Girls Runners Club	91	Soccer
30	HOSA	92	Outdoor Ed
31	Lost Textbooks	94	Softball
32	VOCT	95	Chess Club
33	Law Enforcement	96	Folklorico
34	Close-Up Program	97	UIL Executive
36	Lost Library Books	98	Mariachi
37	Library	99	Color Guard
39	Industrial Technology	AT	Athletic Trainers
40	HOSA	BG	Butterfly Garden
42	DECA	GP	GREAT Program
43	Cosmotology	HH	Harvest of Hope
45	JROTC	SN	Nurse
48	Boys' Athletics		
49	FFA	<b>Jr. High Teams</b>	
50	Art Club	6A	6th Grade Team
51	Band	6B	6th Grade Team
52	Choir	6C	6th Grade Team
54	Publications	7A	7th Grade Team
55	Math	7B	7th Grade Team
56	Jr. Historians	7C	7th Grade Team
57	Drama	8A	8th Grade Team
58	Drill Team	8B	8th Grade Team
59	Science Club	8C	8th Grade Team
5A	5th Grade	Note: Team names change annually	