

MISSION CONSOLIDATED INDEPENDENT SCHOOL DISTRICT

ACTIVITY FUNDS MANUAL

2020-2021

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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*

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 Fiduciary Funds. Fiduciary Funds are custodial in nature; this classification is used to 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 activity fund clerk or secretary. 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. Campus Requisition Forms for Activity Fund purchases should be signed by the principal, club sponsor and student club officer when applicable.

Each campus has an activity fund clerk or secretary who maintains the school's activity fund. The principal must designate another staff member to take over these duties if the activity fund clerk or secretary is absent.

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/secretary.

- (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.

Activity fund 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, if necessary. The incoming principal should review the results of the audit before assuming financial responsibility.

Change of Clerk/Secretary:

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

1.9 Activity Fund Reporting

The 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 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 purchase requests using campus requisition forms. Purchases from Student Activity Funds (Fund 865) must be approved by a student club officer. The campus secretary or activity fund clerk will enter the requisition for the purchase order through the on-line purchasing system. The principal must approve all purchase order requisitions on-line. The Purchasing Department will inform the campus if changes are needed on the purchase order requisition.

2.3 Check Disbursement

Before issuing a check, the Accounts Payable Department shall review the invoice and purchase order 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 checking account utilized for Activity Funds on a monthly basis 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 are available on-line through the Tyler Munis 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, deposit books, bank keys, purchase orders, lock bags, change funds, credit cards 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 the date of return.

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 Activity Funds. 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 credit 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 and the Superintendent have authorization to open bank accounts in the District's name.

The District's General Finance bank account (BBVA Compass Bank) shall be used for all campus and student activity fund transactions. Do not deposit funds belonging to PTO's or booster clubs in the District's 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.

Upon approval, the use of charge (credit) accounts by the campuses should be closely controlled and limited to key employees. A log should be kept documenting the usage of credit cards.

Purchase orders shall be obtained when required and the charge slips given to the activity fund clerk/secretary upon receipt. The activity fund clerk/secretary shall immediately submit the proper documentation to the Accounts Payable Department for processing.

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. The District does not recommend that parents assist in the handling of cash for campus fundraising activities.

2. External Organizations

Persons representing external organizations cannot conduct fundraisers on campus during the school day, including the lunch hours. The principal may grant written permission to approved parent organizations to conduct fundraisers after school hours as long as it does not violate District policy.

A fee shall be charged to non-exempt external organizations for the use of school buildings in accordance with Board Policy GKD (LOCAL).

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 CDC (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 Mission CISD Nutrition Policy and USDA Smart Snacks in Schools Standards (effective 7/1/2014), 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 (TDA), the District's School Health Advisory Council and the United States Department of Agriculture (USDA).

Competitive foods are all food and beverages sold to students on campus during the school day, other than those meals reimbursable under the Child Nutrition Program. The school day is defined as the period from midnight to 30 minutes after the end of the official school day. Food sales of any kind will not be allowed at any elementary, junior high school or high school campus during the school day with the exception of three designated days: 1) last day before winter break, 2) last day before Easter and 3) the last day of school. These food sales must comply with USDA Smart Snacks in Schools and nutrition labels must be kept to document compliance. Only milk, water and 100% juice may be sold at elementary and junior high schools. These beverages may also be sold at the high schools as well as certain other beverages that meet specific restrictions on size and calories.

Please refer to the Mission CISD School Nutrition Policy, Mission CISD Wellness Policy or USDA Smart Snacks in Schools Standards 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 <http://www.schoolnutritionandfitness.com/index.php?sid=1008122255236285>. These policies are subject to change and the Alliance for a Healthier Generation may impose more restrictions on the campus.

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 activity fund clerk/secretary 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 activity fund clerk/secretary as required, funds **CANNOT** be held until the fundraiser is complete.
3. The sponsor shall report the results of the fundraising activity to the activity fund clerk/secretary 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. Submit a copy of the Fundraiser Report to the activity fund clerk/secretary along with a list of outstanding collections by student and a record of the inventory remaining, given away, or spoiled.
 - c. The club sponsor must keep copies of the Fundraiser Report with the Fundraising Application, miscellaneous receipts, the activity fund 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 activity fund clerk/secretary 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 activity fund clerk/secretary, 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 activity fund clerk/secretary 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 activity fund clerk/secretary 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 in lieu of individual receipts. 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: Mission CISD or the 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 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 activity fund clerk/secretary. The sales report form may be used at the discretion of each individual or as required by the principal.
8. The activity fund clerk/secretary shall make a copy of checks received in the mail to support the deposit. The clerk/secretary 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 \$50 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 Activity Fund Receipt Books

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

The activity fund clerk/secretary 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 Activity Fund records.

4.7 Types of Receipts

The Finance Department shall provide the activity fund clerk/secretary 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. Activity Fund Receipts

The activity fund clerk/secretary must use the activity fund receipt to record collections for deposit into the Campus or 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 activity fund clerk/secretary shall follow the procedures outlined below when receiving monies:

- a. In the presence of the depositor, the clerk/secretary shall recount the monies collected and reconcile the deposit to the student collection report and/or miscellaneous receipts.

- b. The clerk/secretary is required to endorse all checks with the District's stamp which reads:

FOR DEPOSIT ONLY
Mission CISD – SAF
Business Office
General Finance
(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/secretary must issue an Activity Fund receipt to the depositor after verification of the amount and supporting document.
- e. The clerk/secretary shall submit to the Finance Department for posting, the yellow copies of the Activity Fund receipt and bank deposit slip with the bank receipt, 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 or 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. It may be possible to leave collections totaling less than \$500 with the activity clerk/secretary for overnight safekeeping at the campus. The club sponsor must take the key to the lockable bag or seal money in a clear plastic bank bag and sign the log the date the bag was left with the clerk/secretary. When the bag is picked up, the club sponsor should sign the log to signify the date the bag was picked up.

The activity clerk/secretary 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.

4.10 Charity Fundraising

Campuses may participate in fundraising for recognized charities. A fundraising application is required to be submitted and all district fundraising procedures must be followed. All fundraising for a specific charity should be clearly identified or promoted as being for that charity. Any fundraising costs should be netted with the money raised. Collections must be deposited and payment made to the organization by District check. District-wide fundraising initiatives must be approved by the Superintendent's Executive Leadership Team (ELT).

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 activity fund clerk/secretary will issue the depositor a receipt as a record of his/her deposit.

The activity fund clerk/secretary shall have copies of the Activity Fund receipts and bank deposits slips as the basic support for bank deposits. Activity Funds shall be deposited at BBVA 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 activity fund clerk/secretary. The deposits shall be made weekly, or when cash on hand exceeds **\$50**.
2. The activity fund clerk/secretary 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 activity fund clerk/secretary should establish a cut off period for deposits by teachers, librarians, club sponsors, or other authorized persons.
4. 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 they can be transported to the bank for overnight deposit.
5. Clear plastic bank bags, deposit books and night depository keys should be available to teachers, club sponsors, or other persons who receive funds so that any deposits not made with the activity clerk/secretary can be taken to the bank for overnight deposit. All required information should be written on the bag before it is taken to the bank. Bank bags should always be placed in another bag for transport to the bank.
6. Employees are prohibited from keeping activity funds in unauthorized locations.
7. All cash receipts must be deposited in the same sequence as funds are receipted.
8. Funds received to make change shall be turned in to the activity fund clerk/secretary at the completion of the fundraiser or activity.

9. 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. Club sponsors/teachers and others, except activity fund clerk/secretary

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

- a. The club sponsor/teacher shall turn in all monies to the activity fund clerk/secretary for a bank deposit. Funds cannot be kept for change unless arrangements are made with the campus principal.
- b. The club sponsor/teacher shall turn in copies of the student collection report, miscellaneous receipts and any other supporting documentation to the activity fund clerk/secretary with the monies for deposit.
- c. The club sponsor/teacher shall be present when the activity fund clerk/secretary reconciles the sponsor's deposit as per the procedures outlined in Section 4 of this manual.
- d. The club sponsor/teacher shall obtain a receipt from the activity fund clerk/secretary for the funds submitted.
- e. It may be possible to leave collections totaling less than \$500 with the activity fund clerk/secretary for overnight safekeeping at the campus. The club sponsor must take the key to the lockable bag or seal money in a clear plastic bank bag and sign the log the date the bag was left with the clerk/secretary. When the bag is picked up, the club sponsor should sign the log to signify the date the bag was picked up.
- f. Overnight bank deposits –If monies collected during evening or weekend activities exceed \$500 and the activity fund clerk/secretary is not available, the club sponsor will be responsible for making the bank deposit. A completed deposit slip must be included with all money bags left in the bank night depository. If possible, money should be counted by two individuals. The activity clerk will issue the activity fund receipt after picking up the deposit book from the bank.

2. Activity Fund Clerk/secretary

The activity fund clerk/secretary is required to make a bank deposit weekly or more often when cash on hand exceeds **\$500**. The activity fund clerk/secretary 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 activity fund receipts.
 - 6) Compare the amount from step 5 with the total from 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 cannot 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 BBVA Compass Bank. To make the deposit, the clerk/secretary 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 along with two copies of the bank receipt. The bank will keep the white copy of the deposit slip.
- 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 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.

5.3 Credit/Debit Card Payment Transactions

Sales or collections received by the campus may be processed via credit/debit card. The campus should be aware that processing fees may be charged to the campus in the future and should consider these when determining sales price amounts.

Submit a daily credit card transaction report accompanied by the Clover Daily Transactions Receipt and a student collection report or other supporting documentation as applicable to the Finance Department for posting.

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/secretary 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 Activity Funds

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 emails 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 or authorized District credit card **before** making any purchase in the name of the school. Purchases from Student Activity Funds (Fund 865) must be approved by a student club officer. Refer to Section 9 of this manual for more information.

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 Independent Contractor Services 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.

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.

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 865-00-2191-049-ORG.
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 865-00-1299-049-ORG. 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 865-00-1299-049-ORG 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 865-00-2191-049-ORG.
 - b. Process a purchase order 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 865-00-2191-049-ORG.
 3. Submit to the Accounts Payable Department for payment.

7.6 Staff Incentives

Staff may generate revenue and account for it in campus 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 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:

http://tea.texas.gov/Finance_and_Grants/Financial_Accountability/Financial_Accountability_System_Resource_Guide/

8.1 Fund

The fund is a mandatory three digit code that identifies the funding source. Activity Funds include 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.
- 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 accounted for in Fund 865.
- 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.
- 6269 This account is used to classify expenditures for rentals and operating leases.

- 6295 This code is used to classify expenditures for printing services provided by the District Print Shop.
- 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
- 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 three digit code used at the option of each school district to provide special accountability at the local level. The sub-object code is used by the District to identify the student group, class, or a school activity requiring separate accounting. This code helps identify the source of a deposit or purchase. The District's sub-object code list is available in this manual. Individuals involved in managing the activity funds should learn the codes assigned to their accounts.

8.5 Organization

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

8.6 Fiscal Year Code

TEA requires a fiscal year code for state reporting, however, it will no longer be reflected in the account structure on Tyler Munis.

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 by District issued check or credit card. 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 after both the invoice and the signed packing slip or purchase order copy is received. Partial payments will be made only at the request of the campus.

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 explaining the extenuating circumstances for not adhering to the check run schedule will be required.

Once the check is prepared, it will be mailed to the vendor. Checks should not be sent to employees unless they are for certain travel expenses 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 Department shall be made aware of any major problems with vendors and shall keep a record of the complaints. The Purchasing Department shall make note of the disagreement and take corrective measures as needed.

9.5 *Campus Requisition Form*

This form initiates the purchase and includes required information for the purchase order requisition that is entered on-line. The form is required to be signed by the student club officer, club sponsor and campus principal and should include an adequate description or explanation of the purchase. A Campus Requisition Form must be completed for all Student Activity Fund (Fund 865) purchases.

9.6 *Purchase Orders / P-Card Program*

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 expenditures, including fundraisers. However, purchases made through the District P-Card Program may not require purchase orders. Approval at the campus level shall be documented through the use of a Campus Requisition Form.

Refer to the Purchasing Manual for complete policies and procedures regarding the purchasing process.

9.7 *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 library book and a receipt is issued.

- a. The receipt includes: the student's name, the date of payment, the name of the library book, the amount collected, and the account the receipt shall be posted to (example: 461-00-5749-036-ORG).
- b. The student eventually finds the book and makes a request to have his/her money returned in exchange for the book. The campus 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. A copy of the receipt shall be submitted to the activity fund clerk/secretary to process the refund.

- c. The activity fund clerk/secretary shall request the refund by completing a lost book reimbursement form and processing a purchase order to the student's parent or guardian. The description shall state: "Refund on lost library book" 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.

9.8 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 transfers are not to be processed 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. Use Tyler Munis screen Budget Transfers and Amendments for all budget transfers. There are two types of budget transfers that can be made:

- a) Budget transfers from one expense account to another expense account. Select Amendment Type "1" on the input screen. Fund, function, and sub-object account codes must remain the same.

Example: To appropriate for student travel

<u>T (Type)</u>	<u>Account Number</u>	<u>I/D (Increase/Decrease)</u>	<u>Amount</u>
E	461-36-6499-000-ORG-99-000	D	\$500.00
E	461-36-6412-000-ORG-99-000	I	\$500.00

- b) A budget transfer to increase the Campus Activity budget when the actual balance is greater than the amount budgeted must also be requested through the same screen. Select Amendment Type "2" on the input screen. Fund, function, and sub-object account codes must remain the same.

Example: To increase budget for more revenue received than anticipated.

<u>T (Type)</u>	<u>Account Number</u>	<u>I/D (Increase/Decrease)</u>	<u>Amount</u>
R	461-00-5755-000-ORG-00-000	I	\$500.00
E	461-36-6412-000-ORG-99-000	I	\$500.00

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 from 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 Student meals are recommended not to exceed \$7.00 per student. When students travel outside of the Rio Grande Valley, an additional allowance may apply. A detailed original receipt is required when eating as a group and excess monies shall be re-deposited to the expense account.
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 should 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.

See the District's Student and Employee Travel Procedures for complete details on travel expenses and the forms to use to obtain permission to travel and advances or reimbursements.

SECTION 11: CONTRACTED SERVICES

11.1 *Policies for Contracted Services*

All individuals who render services for the District must complete the Independent Contractor Services Form prior to performing the service. Additionally, they must complete the Contractor Certification Form and Authorization to Conduct Criminal Record Search as applicable. 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 Independent Contractor Services Form. This Independent Contractor Services Form should be completed and approved prior to the services being performed. A completed W-9, Contractor Certification Form and Authorization to Conduct Criminal Record Search 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 approved Independent Contractor Services Form 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 may be considered an independent contractor. In that case, the same payment procedures as outlined above must be followed. The employee's Independent Contractor Services Form must indicate that the contracted party is an employee of the District. The independent contractor services 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. Contact 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 Incentives Section 7.6)

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

12.2 Non-profit Organizations

As per Board Policy GKB (LOCAL), District 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 complete a Registration and Approval Form annually in order to be recognized by the District. The form requires the approval of the campus principal. A copy of the organization's by-laws and a listing of officers must be submitted with the form in accordance with Board Policy GE (LOCAL). Additionally, the organization is required to submit an annual financial report. More information is included in the *Mission CISD Guidelines for Parent and Booster Organizations* manual. Only approved parent organizations shall be permitted to fundraise on district property.

Approved parent organizations must follow the approval requirements used by student organizations when holding fundraising activities on campus. The organization is required to complete the Fundraising Application for Outside Organizations when holding fundraising activities on campus. Fundraising during the school day is not allowed. 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. Any third parties or vendors that the organization plans to bring on school property as a part of their fundraiser, must be included on the fundraising request in order to be considered for approval. 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 are not allowed to be responsible for the organization's fundraisers or the organization's finances.

Employees are restricted from handling monies 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. The organization is required to post the approved fundraising application at the concession sale site.

In accordance with Board Policy GE (LOCAL), fundraising activities of parent organizations cannot involve solicitations or sales by students. Violation of this policy may result in termination of the association between the parent or booster organization and the District. An employee who encourages, authorizes, or fails to report violations of this policy shall be subject to disciplinary measures. Parent and booster organizations may not distribute tickets or other fundraising materials to the students. Distribution of these items should be made directly to the parents before or after-school, or at meetings of the organization.

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. However, campuses may collect for charitable organizations provided no pressure to contribute is exerted on the students at any time. Collections should be deposited and payment made to the organization by District check.

District employees and students may not solicit monetary donations from vendors or businesses in the name of the district, campus or student club. The utilization of solicitation websites such as GoFundMe is also prohibited. Campuses and student clubs should seek alternative fundraising options.

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 submitted to the Finance Department 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 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 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 461-00-5744-000-ORG 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. These groups must apply for their own sales tax permit 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 monthly 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

Cups - Glass, plastic, paper, etc.

Directories - student

Drafting supplies

Gift wrap paper, balloons, etc.

Handicrafts

Horticulture items – roses, carnations, poinsettias

Lock sales and 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

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

Car Wash

Concessions sales

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 snacks (during the school day)

3. Food Sales

Refer to the Mission CISD School Nutrition Policy and the USDA Smart Snacks in Schools Standards 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 fund-raising 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 shall approve the number and location of soft drink and food vending machines within the school building. Student access will be restricted in accordance with state and federal nutritional guidelines, the USDA Smart Snacks in Schools Standards, and the Mission CISD Nutrition Policy.

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 Finance Department 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, Parent Organizations** - 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 Finance Department. 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.

Regardless of the method selected above, when preparing the cash receipt, the total dollar amount collected should be divided by 1.0825 to calculate the sales revenue.

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

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

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

Contact the Internal Auditor or Finance Bookkeeper 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 / June Procedures*

The fiscal year-end is June 30th. Before the activity fund clerk/secretary leaves for the summer, the following procedures must be completed.

1. The activity fund clerk/secretary must assure all outstanding invoices are paid and cash on hand is receipted and deposited. All receipts must be posted and submitted for approval.
2. Open purchase orders should be closed out, if not needed.
3. Petty cash or change funds should be deposited and closed out.
4. Inventory shall be taken of the school store if items will remain as of June 30th.
5. All documents should be filed and organized.
6. Follow any special instructions received from the Business Office or Internal Auditor.

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 Finance Department by June 15th.

Interest earned, based on the activity fund balance at the end of June, will be distributed to each campus by the Finance Department.

14.2 *July / 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. 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.

Contacts regarding this manual:

Becky Magee, CPA, Internal Auditor
Phone 323-5511, Fax 323-8255
E-mail: bmagee@mcisd.org

Oralia Delgado, Finance Bookkeeper
Phone 323-5516, Fax 323-8104
E-mail: 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
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)							\$ -
TOTAL COLLECTED:			\$ -	\$ -			\$ -

 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 ACTIVITY FUNDRAISER REPORT**

Campus Name: _____ **Type of Fundraiser:** _____
Club Name: _____ **Dates of Fundraiser:** _____
Sponsor: _____ **Collection Dates:** _____

DEPOSITS							
Rcpt. #	Amount	Rcpt. #	Amount	Rcpt. #	Amount	Total	Profit/Loss
<u>SUB-TOTAL FROM ATTACHED PAGE</u>					-		
Total Collections/Revenues						\$	-
OUTSTANDING COLLECTIONS (ATTACH LIST OF STUDENTS)							
EXPENSES (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>			-				
Total Expenses				\$	-		
(Provide written explanation for loss)						Net Profit (Loss)	\$ -

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: _____ (transfers from Fund 461 accounts only)

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)**

Type of Sale: _____

Campus: _____ Month of Sales: _____ Prepared by: _____ Date: _____

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

Date	CR #	DEPOSITS				PURCHASES		RETAIL VALUE OF PURCHASES					
		Deposit 5755-00	Sales Tax 2181	Free/ Damaged	Total	Vendor/PO#	Invoice Amount	@ .25	@ .50	@ .75	\$1.00	Total	
Monday					-								-
Tuesday					-								-
Wednesday					-								-
Thursday					-								-
Friday					-								-
Monday					-								-
Tuesday					-								-
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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						-			-	-	
						-			-	-	
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Friday						-			-	-	
						-			-	-	
Retail Value		-	-	-	-	-		-	-	-	-

COMMENTS: _____

Principal: _____ **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			
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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 031 ____ 00 000

461 00 5749 036 ____ 00 000

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 (required): _____

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

**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 or approved District credit cards when applicable.
- 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
2020-2021**

The policies and procedures that govern student activity funds are set forth in the 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 student 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 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 are not allowed to be responsible for the organization’s fundraisers or 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. Also, fundraising activities of these organizations cannot involve solicitations or sales by students.

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, club sponsor, the campus principal, Central Office, and the Athletic Coordinator and/or Athletic Director if applicable. The club 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 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 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 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 fund clerk by comparing to their records on file and report any differences.

Collection of Monies

All student collections must be deposited into the 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 Mission CISD or the 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. It may be possible to leave collections totaling less than \$500 with the activity clerk for overnight safekeeping at the campus. The club sponsor must take the key to the lockable bag or seal money in a clear plastic bank bag and sign the log the date the bag was left with the clerk. 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 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 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.

If monies collected during evening or weekend activities exceed \$500 and the activity clerk is not available, the club sponsor will be responsible for making the bank deposit. The club sponsor shall obtain a clear plastic bank bag, deposit book and night depository key from the activity clerk in order to process a night deposit at the bank. A completed deposit slip must be included with all money bags left in the bank night depository. If possible, money should be counted by two individuals. The activity fund clerk will issue the activity fund receipt after picking up the deposit book from the bank.

Donations

Donations of cash or tangible items may be accepted, when offered. A donation form must be submitted to the Finance Department. However, district employees and students may not solicit monetary donations from vendors or businesses. The utilization of solicitation websites is also prohibited.

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 written authorization from the student group (Campus Requisition Form signed by student club officer) and must have an approved purchase order and/or

District credit card before making any purchase in the name of the school. No expenditures should be made using undeposited cash. All expenditures from activity funds must be made by District check or credit card.

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.

MISSION CISD NIGHT DEPOSIT TALLY SHEET

Campus: _____

Date: _____

Money Bag No: _____

Club: _____

Account Number: _____

Sponsor: _____

QTY	BILLS	AMOUNT
	\$ 100.00	\$ -
	\$ 50.00	\$ -
	\$ 20.00	\$ -
	\$ 10.00	\$ -
	\$ 5.00	\$ -
	\$ 1.00	\$ -
	\$ 0.50	\$ -
	\$ 0.25	\$ -
	\$ 0.10	\$ -
	\$ 0.05	\$ -
	\$ 0.01	\$ -
Total Cash		\$ -
Total Checks		
Total Deposit		\$ -

Counted by: _____

Counted by: _____

SAMPLE INCOME STATEMENT REPORT

CALCULATING FUND 461 BALANCES

SAMPLE INCOME STATEMENT REPORT MISSION CONSOLIDATED INDEPENDENT SCHOOL DISTRICT

Income Statement Report for Activity Funds
ABC Elementary School - 123

December 31, 2019

Account Name & Account Number	7/1/2019	Total Deposits	PO's Encumbered	POS/WHSE Paid	Increase/ (Decrease)	Current Balance
FUND 461						
(000) Student Sales	\$ 8,176.52	\$ 12,101.06	\$ 600.00	\$ 6,087.05	\$ -	\$ 13,590.53
(001) Staff	1,526.43	1,895.62	-	2,003.45	-	1,418.60
(002) Charity	-	325.00	-	325.00	-	-
(031) Lost Textbooks	-	-	-	-	-	-
(036) Lost Library Books	-	350.00	-	-	-	350.00
(037) Library	325.47	5,480.43	-	5,612.36	-	193.54
(068) U I L	456.62	2,657.68	-	2,998.29	-	116.01
Sub-Total for F461	\$ 10,485.04	\$ 22,809.79	\$ 600.00	\$ 17,026.15	\$ -	\$ 15,668.68

EXAMPLE - Determining current balance for "000" Student Sales Account

\$8,176.52	Beginning Balance	
12,558.78	Plus: Revenues - 461 XX 5XXX 000 123	} Amounts from General Ledger Account Inquiry from MUNIS 2/13/2020 (See following page)
(6,617.05)	Less: Expenditures - 461 XX 6XXX 000 123	
(1,844.95)	Less: Encumbrances - 461 XX 6XXX 000 123	
(40.00)	Less: Requisitions - 461 XX 6XXX 000 123	
\$12,233.30	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. ("001" for Staff, "037" for Library, "068" for UIL, etc.)

Home > General Ledger > GL Details Home | My Subscriptions | Help

FUND FNC

OBJ SB

ORG PR

ED PRJ

FEDPY

MISSION CISD
GENERAL LEDGER ACCOUNT INQUIRY

FND	FNC	OBJ	SB	ORG	PR	ED	PJ	BUDGET	REVISED BDGT	ACTUAL MEMO	ENCUMBRANCES	REQUISITIONS	AVAILABLE
461	00	5744	000	123	00	0	00	(100)	(100)	-	-	-	(100.00)
461	00	5749	000	123	00	0	00	(8,000)	(8,000)	(2,652.65)	-	-	(5,347.35)
461	00	5755	000	123	00	0	00	(22,434)	(22,434)	(9,906.13)	-	-	(12,527.87)
								(30,534)	(30,534)	(12,558.78)	-	-	(17,975.22)

Friday, February 13, 2020 1 of 1

Home > General Ledger > GL Details

FUND FNC

OBJ SB

ORG PR

ED PRJ

FEDPY

MISSION CISD
GENERAL LEDGER ACCOUNT INQUIRY

FND	FNC	OBJ	SB	ORG	PR	ED	PJ	BUDGET	REVISED BDGT	ACTUAL MEMO	ENCUMBRANCES	REQUISITIONS	AVAILABLE
461	36	6121	000	123	99	0	00	300	300	-	-	-	300.00
461	36	6141	000	123	99	0	00	-	-	-	-	-	-
461	36	6143	000	123	99	0	00	-	-	-	-	-	-
461	36	6146	000	123	99	0	00	-	-	-	-	-	-
461	36	6269	000	123	99	0	00	400	400	-	-	-	400.00
461	36	6295	000	123	99	0	00	50	50	7.14	-	-	42.86
461	36	6299	000	123	99	0	00	500	500	-	-	-	500.00
461	36	6343	000	123	99	0	00	21,500	21,500	5,750.03	1,127.99	-	14,621.98
461	36	6399	000	123	99	0	00	100	100	-	-	-	100.00
461	36	6399	000	123	99	0	TE	59	59	-	-	-	59.00
461	36	6411	000	123	99	0	00	500	500	-	12.44	-	487.56
461	36	6412	000	123	99	0	00	2,925	2,925	592.00	199.52	40.00	2,093.48
461	36	6419	000	123	99	0	00	100	100	-	-	-	100.00
461	36	6494	000	123	99	0	00	1,000	1,000	-	-	-	1,000.00
461	36	6498	000	123	99	0	00	1,500	1,500	-	150.00	-	1,350.00
461	36	6499	000	123	99	0	00	1,600	1,600	267.88	355.00	-	977.12
								30,534	30,534	6,617.05	1,844.95	40.00	22,032.00

Friday, February 13, 2020 1 of 1

1. Go to the following link: <https://munislive.mcisd.net/reports>
2. Select "General Ledger" and then "GL Details."
3. Enter account mask. Fund: 461, Object: 5 or 6, Sub-object: 000 or another account, and ORG - your campus organization code.
4. Click "View Report."

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 068 ORG 00 000.
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 068 ORG 99 A00
 - 461 36 6412 068 ORG 99 000
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 and junior high campuses must wait until 30 minutes after the end of the regular school day to sell food items. The Alliance for a Healthier Generation may impose additional restrictions.
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. At least one security officer and a nurse are required. Paraprofessional staff working at the Festival must be on the clock. Cafeteria workers must be paid with Fund 461 using account 6121, however, CNP will charge your account. The campus should process all other employees working at the Festival, including maintenance, through the supplement system using Fund 461.
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, video 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/maintenance overtime – 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 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 461-5755-001 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.

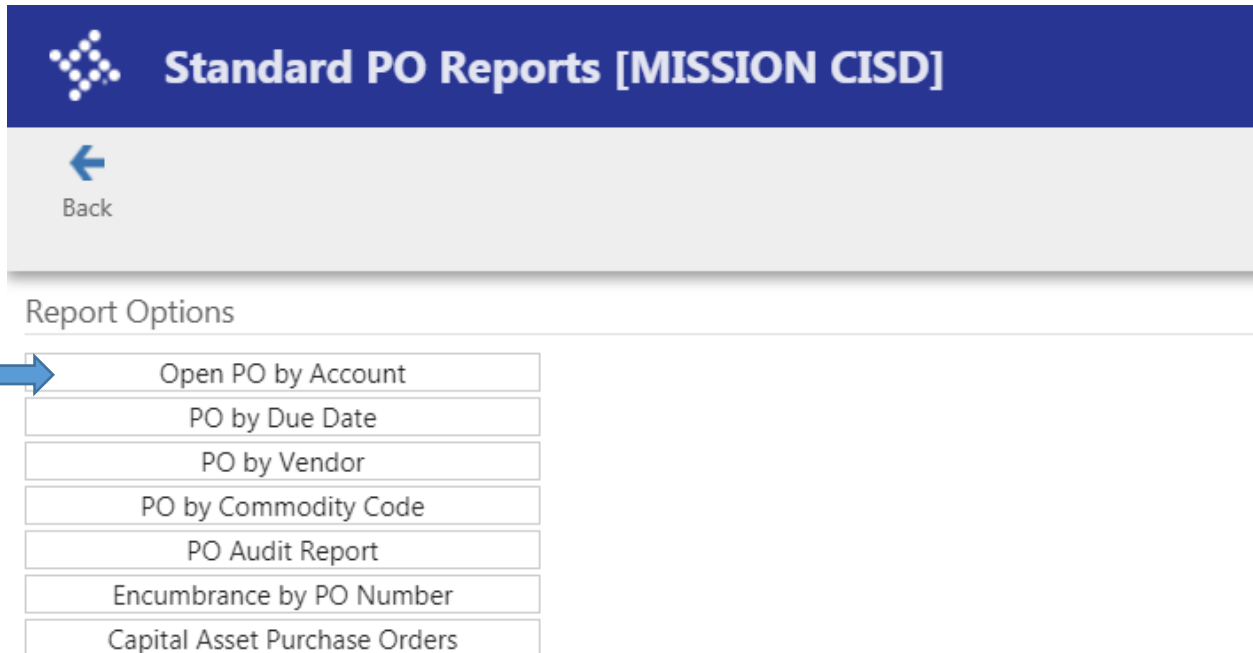
Mission CISD
Sub-Object Listing
Fund 461 / 865
2020-2021

<u>Code</u>	<u>Description</u>	<u>Code</u>	<u>Description</u>
000	Student Sales	061	Engineering
001	Staff Account	063	FHA / Culinary Arts
002	Charitable Causes	064	Business
003	AVID Club	065	Foreign Language
005	Special Education	068	U I L
006	Student Council	073	Environmental Club
008	Sophomore Class	075	TV Production/Video
009	Senior Class	076	Girls' Soccer
011	Freshman Class	079	Wrestling
013	National Honor Society	080	Powerlifting
014	Lettermen's Club	081	Football
017	Junior Class	082	Boys' Basketball
018	Boy's Runners	083	Girls' Basketball
019	TAFE	084	Boys Track
01B	Boys Cross Country	085	Girls Track
01G	Girls Cross Country	086	Girls' Volleyball
020	HOSA	087	Baseball
022	Girls' Athletics	088	Tennis
024	SADA/KADA	089	Golf Club
025	FBLA	090	Swimming
027	Cheerleaders	091	Soccer
029	Social Studies NHS	094	Softball
02H	Girls Runners Club	095	Chess Club
030	Pharmacy	096	Folklorico
031	Lost Textbooks	097	UIL Executive
032	VOCT / Skills USA	098	Mariachi
034	Orchestra	099	Color Guard
033	Law Enforcement	0AB	Anime Culture Club
036	Lost Library Books	0AT	Athletic Trainers
037	Library	0DI	Destination Imagination
039	Industrial Technology	0FC	Fitness Club
040	HOSA	0GU	Gear Up
042	DECA	0GS	Stadium Gift Shop
043	Cosmotology	0LC	Leo Club
045	JROTC	0MM	Meet in the Middle Club
047	Auto Mechanics	0RB	Robotics
048	Boys' Athletics	0SN	Nurse
049	FFA		
050	Art Club	<u>Jr. High Teams (names change annually)</u>	
051	Band	06A	6th Grade Team
052	Choir	06B	6th Grade Team
054	Publications	06C	6th Grade Team
055	Math	07A	7th Grade Team
056	History / Culture	07B	7th Grade Team
057	Drama	07C	7th Grade Team
058	Drill Team	08A	8th Grade Team
059	Science	08B	8th Grade Team
060	Library Club	08C	8th Grade Team

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Determining Fund 865 Account Balances

In order to determine an accurate account balance for Fund 865 accounts, the Open PO Report must be generated and combined with the balance from the Account Inquiry.



Standard PO Reports [MISSION CISD]

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Report Options

- Open PO by Account
- PO by Due Date
- PO by Vendor
- PO by Commodity Code
- PO Audit Report
- Encumbrance by PO Number
- Capital Asset Purchase Orders

1. Go to Standard PO Reports
2. Select Open PO by Account

Determining Fund 865 Account Balances

❖

OPEN POs BY ACCOUNT

← Back
✓ Accept
⊘ Cancel

General

Initially sort by Dept/Loc
 Sort by Fund Organization Account

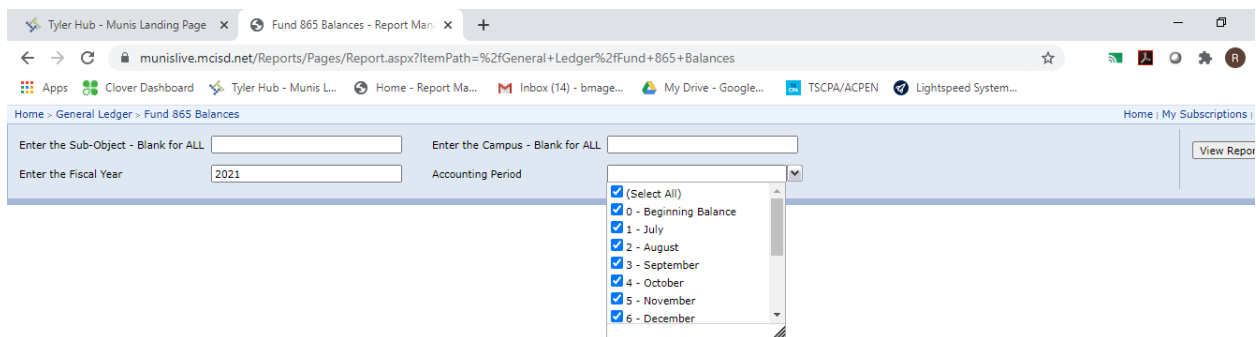
Inclusion options

PO fiscal year	<input style="width: 100%;" type="text" value="Next"/>		<input style="width: 100%;" type="text" value="2021"/>
PO entered	<input style="width: 100%;" type="text" value="07/01/2020"/>	to	<input style="width: 100%;" type="text" value="06/30/2021"/>
Dept/Loc	<input style="width: 100%;" type="text" value="..."/>	to	<input style="width: 100%;" type="text" value="ZZZZZ"/>
Fund	<input style="width: 100%;" type="text" value="865"/>	to	<input style="width: 100%;" type="text" value="865"/>
Function	<input style="width: 100%;" type="text" value="..."/>	to	<input style="width: 100%;" type="text" value="ZZZZZZZZZZ"/>
SubObject	<input style="width: 100%;" type="text" value="..."/>	to	<input style="width: 100%;" type="text" value="ZZZZZZZZZZ"/>
Organization	<input style="width: 100%;" type="text" value="..."/>	to	<input style="width: 100%;" type="text" value="ZZZZZZZZZZ"/>
Prog Intent	<input style="width: 100%;" type="text" value="..."/>	to	<input style="width: 100%;" type="text" value="ZZZZZZZZZZ"/>
Ed Span	<input style="width: 100%;" type="text" value="..."/>	to	<input style="width: 100%;" type="text" value="ZZZZZZZZZZ"/>
Proj Detail	<input style="width: 100%;" type="text" value="..."/>	to	<input style="width: 100%;" type="text" value="ZZZZZZZZZZ"/>
Org	<input style="width: 100%;" type="text" value="..."/>	to	<input style="width: 100%;" type="text" value="ZZZZZZZZ"/>
Object	<input style="width: 100%;" type="text" value="..."/>	to	<input style="width: 100%;" type="text" value="ZZZZZZ"/>
Project	<input style="width: 100%;" type="text" value="..."/>	to	<input style="width: 100%;" type="text" value="ZZZZZ"/>
Accounts:	<input checked="" type="checkbox"/> Expense <input checked="" type="checkbox"/> Revenue <input checked="" type="checkbox"/> Balance Sheet		

3. Click "Define" on menu
4. PO fiscal year: select "Next" for 2021
5. PO entered: for 2020, select date range of 7/1/2020 to 6/30/2021
6. Enter the following:
 - a. Dept/Loc: campus organization number
 - b. Fund: 865 *(enter sub-object to generate a report for a single account)*
 - c. Organization: campus number
7. Check accounts: expense, revenue, balance sheet. Click "Accept"
8. Select "PDF" to print. Combine "Open Amount" with balance from Account Inquiry.

Instructions for Fund 865 Balances Report

1. Go to the following link: <https://munislive.mcsid.net/reports> and select “General Ledger”.
2. Click on “Fund 865 Balances”
3. Enter the sub-object or leave blank to view all.
4. Enter your campus organization code
5. Enter the fiscal year: 2021 for current year or 2020 to view the prior fiscal year.
6. Accounting period: Click the drop-down and check “select all” to view the current balance.
7. Click “View Report”
8. Report can be printed using the print icon or saved as a PDF file.



Note: The dollar amount of any open purchase orders will be included in the report on the last line of the applicable club account and will be subtracted from the ending balance. *(As of now, the PO total included on the report is the currently outstanding amount, regardless of the accounting period selected.)* The details of any open purchase orders can be viewed by generating a “Standard PO Report” in Munis.