

ROOSEVELT ISD

FISCAL POLICY & PROCEDURES

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Policies apply to all funds, including local, federal and grant, unless specifically exempted.

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Section 1

Payroll Guidelines

Annual Payroll Calendar

The District publishes its annual payroll calendar in a manner that is easily obtainable by all employees. This schedule is posted on the District's web page and distributed through email to employees. If requested, the calendar will be printed for an employee.

Employees are paid once a month on the 25th of the month. If the 25th is not a business day, pay day is the last business day before the 25th. For non-hourly employees, annual salary is divided by twelve months and paid in equal installments. For hourly employees, salary is calculated by the hours worked in the designated pay period.

Required Payroll Deductions

Full-time employees of the District do not contribute to the social security system. Instead, they participate in the Teacher Retirement System of Texas, a state, local and member funded program. Each employee has 6.40% of their gross pay withheld before taxes and contributed to the system on a pre-tax basis. Additionally, the state of Texas contributes an equal amount up to the statutory minimum salary amount for each employee. The District makes a contribution on behalf of each employee for the difference between the state and employee contribution. Also, each employee makes a contribution to the TRS-CARE health insurance program of 0.65% of the gross pay.

Employees may have some amount of federal tax withheld from their check and remitted to the federal government. The amount deducted from an employee's check depends on how many exemptions and filing status claimed by the employee. The IRS form W-4 is the document used by each employee to document his or her filing status (single, married, married but withhold at the higher single rate) and number of exemptions claimed. Employees usually fill out this form when they first come to work, but they may change their exemptions or status during the year as needed. The W-4 form may be obtained from the Business Office.

All employees who were hired after March 31, 1986 are required to pay 1.45% of the gross pay to the federal government for Medicare. Employees not eligible to participate in the TRS program (typically part-time employees, less than 20 hours a week or substitutes) are required to contribute to Social Security.

Child support payments are processed by payroll only when properly received from a county Child Support Office, from the Child Support Services division of the Attorney General's office or from an appropriate court of jurisdiction. It is the employee's responsibility to file a change of employment request with the State Child Support Office.

Tax levies from the Internal Revenue Service or payment orders from the Texas Guaranteed Student Loan Fund for repayment of student loans are also processed by Payroll, and are mandatory employee deductions when properly received by the District.

Optional Payroll Deductions

Many optional payroll deductions are available to RISD employees. Among just a few of these are the following options:

- Lubbock County Schools Federal Credit Union
- 403b tax sheltered investments – open to all employees and available through any vendor on the TRS-approved list. These are processed through National Benefit Services, a third-party administrator.
- Health insurance, vision, dental, cancer, additional life, short-term disability and other health-related coverage. These are offered through Financial Benefit Services, as part of the West Texas Employee Benefits Cooperative.
- Professional organization dues
- Education Foundation Contributions

Direct Deposit

Employees may choose to have their paycheck deposited directly into their bank account(s). Direct deposit can be made to any bank, savings or brokerage account in the United States Federal Reserve banking system as long as an account number and an ABA routing number are available. The appropriate form is available from the Business Office. A voided check must be attached to the form when submitted to Payroll.

All employees should begin checking their bank accounts on the date listed on the payroll schedule. In the event the employee's pay does not reach his/her account, the employee should first contact their bank. The Payroll Department will work to resolve any issues so that the employee may receive their pay as quickly as possible.

If a check is mailed and not received, the check cannot be reissued for seven working days. After seven days, a stop payment request is issued to the bank, and a check can be reissued 24 hours after the stop payment request. If a new check is issued and subsequently the original check is delivered to the employee, the original check must be returned to the Business Office. The employee should not attempt to cash the cancelled check.

Leave

Each full-time permanent employee earns 5 State Personal Leave days each year provided they work the entire scheduled year. Part-time permanent employees earn a proportionate number of days based on the hours worked. If an employee does not work the full year, the employee earns ½ day for each 18 days actually worked or on paid leave.

Non-hourly full-time permanent employees earn 5 Local Leave days each year provided they work the entire scheduled year. Part-time permanent employees earn a proportional number of days based on the hours worked. If an employee does not work the full year, the employee earns ½ day for each 18 days actually worked or on paid leave.

Year round hourly permanent employees earn two weeks vacation each year provided they work the entire year. Part-time permanent hourly employees earn a proportionate number of days based on the hours worked. If an employee does not work the full year, the employee earns one day of vacation for each 26 days actually worked or on paid leave.

All leave is recorded in half-day or full day increments for all employees.

When an employee has used more leave than he or she has earned, the District shall deduct the cost of unearned leave days from the employee's paycheck. At the discretion of the District, the deduction for unearned days may be spread out over multiple paychecks.

Absences

Employees must complete an Employee Absence From Duty Report when they are absent from work. For discretionary leave, the employee shall submit this form to the immediate supervisor or designee prior to the absence. In deciding whether to approve or deny discretionary leave, the supervisor or designee shall not seek or consider the reasons for which an employee requests to use leave. The supervisor or designee shall, however, consider the effect of the employee's absence on the educational program or District operations, as well as the availability of substitutes.

For non-discretionary leave, the employee shall submit the Employee Absence From Duty Report on the first day of return to work. If the employee is absent more than five consecutive workdays due to personal illness or illness in the immediate family, the employee shall submit medical certification of

the need for leave. The District may require medical certification due to a questionable pattern of absences or when deemed necessary by the supervisor or Superintendent.

Employees must provide a receipt from the court when they are absent for jury duty. This receipt should be attached to the Employee Absence From Duty Report. The employee will not be charged with State Personal or Local Leave when absent for jury duty.

Campus personnel should provide the completed Employee Absence From Duty Reports to the Payroll Clerk weekly and in a timely manner so that the absences may be recorded before the monthly payroll process.

Sick Leave Pool

An employee who has exhausted all paid leave and who suffers from a catastrophic illness or injury or is absent due to the catastrophic illness or injury of a member of the employee's immediate family may request the establishment of a sick leave pool. The employee must complete a Sick Leave Pool Request form, to be submitted to the Superintendent for approval. If the employee is unable to submit the request, a member of the employee's family or the employee's supervisor may submit the request.

After approval of the sick leave pool by the Superintendent, the Payroll Department will notify all employees of the establishment of the pool. Employees may donate leave days by completing a Donation to Local Sick Leave Pool form, and submitting the form to the Payroll Department. Employees may donate no more than 2 of their leave days per year to a sick leave pool.

The sick leave pool shall cease to exist when the employee no longer needs leave for the purpose requested, uses the maximum number of days allowed under a pool (regulated by the Superintendent), or exhausts all leave days donated to the sick leave pool. The Superintendent may direct the return of unused days to donors.

Family and Medical Leave

When an absent employee is eligible for FMLA leave, the District shall designate the absence as FMLA leave. If an employee provided at least 1250 hours of service to the District in the 12 months preceding the first use or assignment of family medical leave, the employee is eligible to receive up to 12 weeks of family medical leave. For purposes of an employee's entitlement to FMLA, the 12-month period shall begin on the first duty day of the school year. The District shall require the employee to use temporary disability leave and paid leave, including compensatory time, concurrently with FMLA leave.

The Payroll Department will provide the employee with information regarding FMLA leave, including the date the FMLA leave begins.

If an employee takes FMLA leave due to the employee's own serious health condition, the employee shall provide, before resuming work, a fitness-for-duty certification. If, at the expiration of FMLA leave, the employee is able to return to work but chooses not to do so, the District may require reimbursement of premiums paid by the District during the leave.

Workers' Compensation

Worker's compensation is not a form of leave. If an employee is injured while on duty, the employee and/or supervisor should complete a Supervisor's Report of Accident form. This form should be completed and submitted to the Payroll Department within 24 hours of the accident. If the accident will require medical care, the Payroll Department will complete the proper forms to report the injury to the workers' compensation carrier. The carrier should be notified within three days of the injury.

Time Clock Plus

All non-exempt and hourly employees record their time worked through the Time Clock Plus system. Employees are responsible for checking their times in this system, and notifying the Payroll Department of any discrepancies.

The Payroll Department will periodically, at least bi-monthly, generate reports from the time clock system for all non-exempt non-hourly employees. The reports will show time worked, compensatory leave balances if applicable, and number of days worked during the school year. These reports should be reviewed by the employee and supervisor, signed by both, and returned to the Payroll Department to be filed.

The supervisors for the hourly employees will review the times in the Time Clock Plus system for their employees. This review will be completed in a timely manner so that the Payroll Department may be confident of the hours shown before beginning the monthly payroll process. Times in the Time Clock Plus system will be rounded to the nearest quarter hour.

Compensatory Time

At the District's option, non-exempt employees may receive compensatory time off, rather than overtime pay, for overtime work. Employees must receive prior approval before working overtime. The Time Clock Plus system will track any overtime worked and converts it to compensatory time for non-exempt non-hourly employees.

Compensatory time earned by non-exempt employees may not accrue beyond a maximum of 60 hours. If an employee has a balance of more than 60 hours, the employee will be required to use compensatory time or, at the District's option, receive overtime pay.

An employee shall use compensatory time within the duty year in which it is earned. If an employee has and unused compensatory time remaining at the end of the fiscal year, the employee shall receive overtime pay.

If an employee has earned compensatory time and has an absence, the compensatory time will be used before the use of any leave.

Payroll Process

The Payroll Department must complete the payroll process each month in time to initiate the ACH for direct deposit pays. This deadline will be set by the depository bank of the District.

All absence forms relating to the pay period should be processed before the payroll process begins. Any extra duty pay or additional pay earned during the pay period should be processed to be included in the appropriate payroll.

Payments to the Electronic Federal Tax Payment System (EFTPS) for the payroll taxes withheld from the paychecks, in addition to the amounts required to be paid by the employer, should be remitted within 3 days of the pay date. These include FICA taxes, Medicare taxes and withholding taxes. Payments for optional deductions (other than health insurance through TRS ActiveCare) should be remitted within 3 days of the pay date. Employee's 403b payments are required to be remitted timely so that the employee earns the highest interest possible.

TRS deductions must be deposited through the TexNet system by the 6th day of the month following the pay date. If the 6th is not a business day, the deposit must be remitted by the last business day preceding

the 6th of the month. All reports submitted through the TRS TRAQS system should be processed by this date also.

Quarterly/Yearly Reporting

The Texas Workforce Commission report will be created at the end of each calendar year quarter. This report will be submitted to the appropriate agency by the end of the month following the end of the quarter.

Form 941 Employers Quarterly Federal Tax Return will be completed at the end of each calendar year quarter. The amounts reported on this return will be balanced with the payments made to the government through the EFTPS system for the quarter. This return will be submitted before the IRS deadline of the last day of the month following the end of the quarter.

W-2 Annual Wage and Tax Statements will be issued no later than January 31 each year to all current and former employees who received any compensation from the District during the previous year via a payroll check. Filing will be made electronically to the Social Security Administration for the issued W-2 forms by the deadline of the last day of March.

Section 2

Accounts Payable

Guidelines

Accounts Payable Calendar

The Accounts Payable Department issues checks each week District personnel are scheduled to work. The schedule is as follows:

Friday, 4:00pm

All requests, invoices, receiving reports or other documentation must be received by the Accounts Payable Department.

Tuesday Checks are processed and compared to supporting documents for accuracy of vendor name, address and dollar amount.

Wednesday morning Checks are released for mailing or pickup.

No exceptions are made to the Friday 4:00pm deadline without approval of the Superintendent or the Business Manager.

Purchase Requisitions/Orders

All requests for purchase from an outside vendor will be made through the submission of Purchase Requisitions (PR). These PRs will be entered online through the TxEIS Purchasing system. The PRs are electronically approved by the campus principal or department chair, and forwarded to the Business Manager for approval.

If a check is needed from the PR, this should be noted in the Comments section of the PR. The originator of the PR is responsible for providing any required receipts or documentation substantiating the use of the check.

After the Business Manager's electronic approval, the Accounts Payable Department will print 2 copies of the corresponding Purchase Order (PO). One copy will be sent to the PR originator, and one copy will be kept in numerical order in the Business Office. If a check is needed, a third copy will be kept by the Accounts Payable Clerk in the invoice file. The PO received by the originator authorizes purchase of the requested item. Items should not be ordered or purchased without proper authorization.

Purchase Order Payments

When ordered items are received and verified to be complete, the copy of the PO should be signed, authorizing payment, and sent to the Accounts Payable Department. Any packing slips or related items should be stapled to the signed PO. If a partial payment is being made on a PO, annotate the copy of the PO that there are still pending items so the Accounts Payable Clerk knows the PO should not be closed.

Invoices are paid when authorization on a purchase order is received. Invoices must state, at a minimum, the date, item or service provided, and cost. If services are provided to students by the vendor, the invoice must show the number of units or students. Payments will not be made from only a statement.

Funds may not be used to purchase debit cards or gift cards as a means of making expenditures. All expenditures must be made by district check, procurement card or reimbursement.

Fiscal Year Ending

The fiscal year ends on August 31. Anything delivered by August 31st needs to be released for payment out of the current school year's budget.

Reimbursements

Whenever possible, employees making purchases for the school should use either a PO or school-issued procurement card. However, there are some circumstances where this is not possible. If an employee makes a school purchase with personal funds and has prior approval by the Superintendent, Business Manager or supervisor, they may be reimbursed. The reimbursement will be for the cost of the

purchase only, and will not include any sale taxes paid. The employee should submit an online PR for the purchase, and provide the receipt to the Accounts Payable Department.

Procurement Cards

The District issues procurement cards to key personnel to be used for district purposes. Each cardholder must sign a Roosevelt ISD Cardholder Agreement, which will be kept on file. The procurement card may not be used for personal expense, including personal travel and entertainment. Any sales tax charged on the procurement must be reimbursed by the cardholder. The employee assumes responsibility for the card and will be responsible for all charges made with the card. The employee is also responsible for providing receipts for all transactions processed on the card.

The receipt of a procurement card does not authorize any purchases on the card. The employee must submit a PR as with any other purchase, showing the procurement card issuer as the vendor on the PR. The receipt of an approved PO authorizes the employee to make the expenditure using the procurement card.

When the procurement card statements are received each month, each employee will receive the statement for their card(s). The employee is responsible for completing the Procurement Card Transaction Log. All receipts/invoices and approved POs must be attached to the Procurement Card Transaction Log. The log is submitted to the employee's supervisor for approval and then forwarded to the Accounts Payable Department. The Accounts Payable Clerk will review to ensure all receipts and POs are attached and match the Transaction Log. The Accounts Payable Clerk will then forward the Transaction Log, receipts and POs to the Business Manager for review before making payment.

Travel

All travel must be approved by the immediate supervisor and/or the Superintendent. Travelers are expected to select the most economical and practical accommodations, arrangements and services in accordance with the needs of the trip.

Travelers are responsible for submitting the proper PRs in a timely manner before the trip. One PR should be completed for items being paid with a procurement card, such as hotel, airfare, shuttle, and fuel. Rates paid for hotels should be within the allowed state rate. Any exceptions to the state rate must be approved by the supervisor and/or Superintendent, and must be paid from local funds. Any personal expenses at a hotel, such as movies or mini-fridge use, may not be paid from district funds.

A PR should be completed for meals on the trip. The Accounts Payable Department will process a check for the meals payable to the traveler. It is the responsibility of the traveler to cash the check. The district pays a per diem rate as follows:

Breakfast (leaving earlier than normal work day)	\$ 8.00
Lunch	\$12.00
Dinner (not returning before 7:00pm)	\$16.00

Receipts are required to be returned if the travel is paid from federal funds. If the receipts are not as much as the per diem, the employee will be required to reimburse the difference. Employees will not receive more than the allotted per diem for meals.

Any rental vehicles should be reserved using the district's contract with Enterprise Rental Car Agency. A separate PR must be submitted for rental vehicles. The receipts for the rental car should be attached to the signed PO and submitted to the Accounts Payable Department.

Purchasing

The Texas Education Code (TEC), as well as school board policy, addresses the requirements for purchasing. Purchasing procedures may also be found in the Texas Education Agency Financial Accountability System Resource Guide (FASRG) in the Purchasing Module.

All District contracts for the purchase of goods and services, except contracts for the purchase of produce or vehicle fuel, valued at \$50,000 or more in the aggregate for each 12-month period, shall be made by the method that provides the best value for the District:

- 1) Competitive bidding for services other than construction services.
- 2) Competitive sealed proposals for services other than construction services.
- 3) A request for proposals for services other than construction services.
- 4) An interlocal contract.
- 5) The reverse auction procedure as defined by Government Code 2155.062(d).
- 6) The formation of a political subdivision corporation under Local Government Code 304.001.

The purchasing requirements of Education Code 44.031 do not apply to a contract for professional services rendered, including the services of an architect, attorney, certified public accountant, engineer, or fiscal agent.

The District is a member of The West Texas Educational Purchasing Cooperative in order to take advantage of better prices for quantity purchases. The District also uses Buy Board Purchasing Cooperative, TIPS/TAPS Cooperative Purchasing System, and the State of Texas Cooperative Purchasing Program.

Yearly Reporting

Form 1099-MISC Miscellaneous Income will be issued no later than January 31 of each year to all required vendors. The required forms will be submitted to the Internal Revenue Service by the required annual deadline.

Section 3

Accounting

Guidelines

Account Code Structure

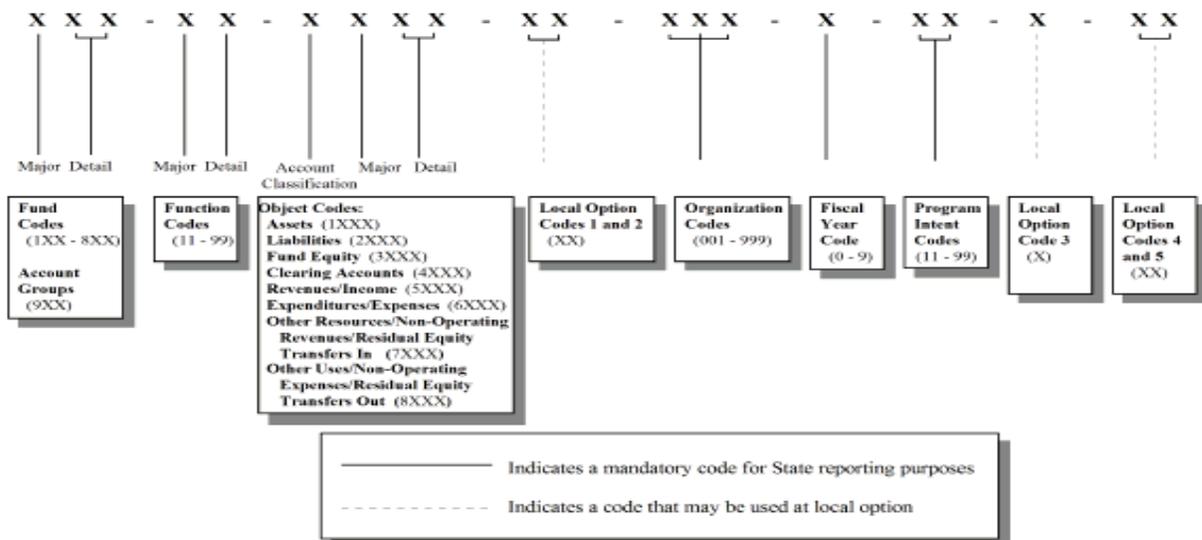
Section 44.007 of the Texas Education Code (Code or TEC) requires that a standard school district fiscal accounting system be adopted by each school district. The system must meet at least the minimum requirements prescribed by the State Board of Education and also be subject to review and comment by the state auditor. Additionally, the accounting system must conform with Generally Accepted Accounting Principles (GAAP). This section further requires that a report be provided at the time that the school district budget is filed, showing financial information sufficient to enable the state board of education to monitor the funding process, and to determine educational system costs by school district, campus and program.

The Texas Education Code, Section 44.008, requires each school district to have an annual independent audit conducted that meets the minimum requirements of the state board of education, subject to review and comment by the state auditor. The annual audit must include the performance of certain audit procedures for the purpose of reviewing the accuracy of the fiscal information provided by the district through the Public Education Information Management System (PEIMS). The audit procedures are to be adequate to detect material errors in the school district's fiscal data to be reported through the PEIMS system for the fiscal period under audit.

A major purpose of the following accounting code structure is to establish the standard school district fiscal accounting system required by law. Although certain codes within the overview may be used at local option, the sequence of the codes within the structure, and the funds and chart of accounts, are to be uniformly used by all school districts in accordance with generally accepted accounting principles.

Guidance on these codes may be found in the Texas Education Agency Financial Accountability System Resource Guide (FASRG).

The Code Structure



BASIC SYSTEM CODE COMPOSITION

Fund Code

A mandatory 3-digit code is to be used for all financial transactions to identify the fund group and specific fund. The first digit refers to the fund group, and the second and third digit specifies the fund. Fund group 100 is for locally controlled funds, primarily the General Fund. Fund groups 200 – 400 is for various federal and state grant programs. Fund group 500 is for debt service funds to repay bonded debt. Fund group 600 is reserved for capital project funds (bond money). The 700 series is for various internal service funds. The 800 series is for scholarship funds and clearing accounts. The 900 Funds are for recording long-term fixed assets and long-term debt.

Function Code

A mandatory 2-digit code applied to expenditures/ expenses that identify the purpose of the transaction. The first digit identifies the major class and the second digit refers to the specific function within the area.

Object Code

A mandatory 4-digit code identifying the nature and object of an account, a transaction or a source. The first of the four digits identifies the type of account or transaction, the second digit identifies the major area, and the third and fourth digits provide further sub-classifications.

Asset codes – 1XXX series	Liability codes – 2XXX series
Fund Equity codes – 3XXX series	Encumbrance control – 4XXX series
Local revenues – 57XX series	State revenues – 58XX series
Federal revenues – 59XX series	Payroll Expenditures – 61XX series
Contracted Services – 62XX series	Supply accounts – 63XX series
Other Misc. Costs – 64XX series	Debt payments – 65XX series
Capital Outlay costs – 66xx series	Transfers In / Out – 79XX / 89XX series

Sub-Object Codes (Optional Codes 1 & 2– for local use)

A 2-digit code for optional use to provide special accountability at the local level. Roosevelt ISD uses this code to identify special programs.

Organization Code

A mandatory 3-digit code identifying the organization, i.e., High School, Middle School, Elementary School, Superintendent’s office, etc. An organization code does not necessarily correspond with a

physical location. The activity, not the location, defines the organization. Campuses are examples of organization codes and are specified for each school district in the Texas School Directory.

Fiscal Year Code

A mandatory single digit code that identifies the fiscal year of the transaction or the project year of inception of a grant project. Example: For the 2011-12 fiscal year of the school district, a 2 would denote the fiscal year.

An ESEA, Title I, Part A - Improving Basic Programs grant for the project year from July 1, 2011 through June 30, 2012 would be indicated by a 2. A grant for the project year from July 1, 2012 through June 30, 2013 would be indicated by a 3. Therefore, 10 months of the ESEA, Title I, Part A - Improving Basic Programs grant expenditures would be accounted for under project year 2 and 2 months would be accounted for under project year 3.

Program Intent Code

A 2-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. The intent (the student group toward which the instructional or other service is directed) determines the program intent code, not necessarily the demographic makeup of the students served.

Optional Code 3

A single code that is used at the local option. This code is used to identify special programs.

Optional Codes 4 & 5

An optional 2-digit code that may be used by the district to further describe the transaction. This code is used to identify special programs.

Section 4

Budget

Guidelines

Legal Requirements for Budgeting

Sections 44.002 through 44.006 of the Texas Education Code establish the legal basis for budget development in school districts. The following six items summarize the legal requirements from the code:

1) The superintendent is the budget officer for the district and prepares or causes the budget to be prepared.

Note: TEA recommends that an interactive approach between the board of trustees and the superintendent be taken to establish the budget process and define related roles and responsibilities.

2) The district budget must be prepared by a date set by the state board of education, currently August 20 (June 19 if the district uses a July 1 fiscal year start date).

3) The president of the board of trustees must call a public meeting of the board of trustees, giving ten days public notice in a newspaper, for the adoption of the district budget. Any taxpayer in the district may be present and participate in the meeting.

4) No funds may be expended in any manner other than as provided for in the adopted budget. The board does have the authority to amend the budget or adopt a supplementary emergency budget to cover unforeseen expenditures.

5) The budget must be prepared in accordance with GAAP (generally accepted accounting principles) and state guidelines.

6) The budget must be legally adopted before the adoption of the tax rate. However, if a school district has a July 1st fiscal year start date, then a school district must not adopt a tax rate until after the district receives the certified appraisal roll for the district required by Section 26.01, Tax Code. Additionally, a school district must publish a revised notice and hold another public meeting before the district may adopt a tax rate that exceeds the following: (1) The rate proposed in the notice prepared using the estimate; or (2) The district's rollback rate determined under Section 26.08, Tax Code, using the certified appraisal roll.

TEA has developed additional requirements for school district budget preparation as follows:

1) The budget must be adopted by the board of trustees, inclusive of amendments, no later than August 31 (June 30 if the district uses a July 1 fiscal year start date).

2) Minutes from district board meetings will be used by TEA to record adoption of and amendments to the budget.

3) Budgets for the General Fund, the Food Service Fund (whether accounted for in the General Fund, a Special Revenue Fund or Enterprise Fund) and the Debt Service Fund must be included in the official district budget (legal or fiscal year basis). These budgets must be prepared and approved at least at the fund and function levels to comply with the state's legal level of control mandates.

Note: Districts may prepare and approve budgets for other funds and/or with even greater detail at their discretion. Such local decisions may affect the need for budget amendments and financial reporting requirements.

4) The officially adopted district budget, as amended, must be filed with TEA through PEIMS (Public Education Information Management System) by the date prescribed in the annual system guidelines. Revenues, other sources, other uses, and fund balances must be reported by fund, object (at the fourth level), fiscal year, and amount. Expenditures must be reported by fund, function, object (at the second level), organization, fiscal year, program intent and amount. These requirements are discussed in further detail in the Data Collection and Reporting module.

5) A school district must amend the official budget before exceeding a functional expenditure category, i.e., instruction, administration, etc., in the total district budget. The annual financial and compliance report should reflect the amended budget amounts on the schedule comparing budgeted and actual amounts. The requirement for filing the amended budget with TEA is satisfied when the school district files its Annual Financial and Compliance Report.

In addition to state legal requirements, individual school districts may establish their own requirements for annual budget preparation. Local fiscal policies may dictate budgetary requirements which go beyond those required by the Texas Education Code and TEA. These policies may include:

- Fund balance levels
- Debt service fund balance accumulation
- Financial performance comparison measures
- Staffing levels

There are four truth-in-taxation principles, which apply to taxing units:

- 1) Property owners have the right to know of increases in their properties' appraised values and to be notified of the taxes that could result from the new value.
- 2) A taxing unit must calculate and publish the effective and rollback tax rates before adopting an actual tax rate.
- 3) A unit must publish special notices and hold a public hearing before adopting a tax rate that exceeds either the effective tax rate plus three percent or the rollback rate.
- 4) If the unit adopts a rate that exceeds the rollback rate, voters may start a petition for an election to limit the rate to the rollback rate. School districts must hold rollback elections to limit tax increases above the rollback rate for the current year, without a petition.

Note: Districts should consult the comptroller's Guide for Setting Tax Rates: Truth in Taxation publication and/or TEA for more information on tax rate limitations and rollback worksheets.

Budgeting for Funds Other than the General Fund

The District has many different fund accounts. The General Fund 199 accounts for the vast majority of salaries, benefits and other day-to-day operational costs of the District. However, there are many other funds that account for various special purpose activities within the District. There are numerous federal grant programs, debt service and capital project funds, internal service, agency and activity funds and fund groups that exist for accounting purposes. The only funds that require a legally adopted budget are the General, Debt Service and Food Service funds. Other funds may utilize a managerial budget, or one which does not necessarily require legal approval by the Board of Trustees. Currently, Roosevelt ISD seeks Board of Trustee approval for all budgeted funds, but is not required to do so.

Budget preparation for grant funds should take place during the normal budget process or as soon thereafter as possible. Notice of Grant Awards (NOGA) are not usually received until late summer or later, which delays adoption of budgets for many of the special revenue (federal grant) funds each year. If these fund budgets are not prepared in time for budget adoption in August, they may be taken to the Board of Trustees in budget amendments during the year.

Budget Amendments

There are two types of budget amendments. Amendments that move budgeted funds between accounts but within the same function do not require Board of Trustee approval and can be processed at any time during the year. Amendments that move funds from one account to another and which also change function codes by law must be presented to the Board of Trustees for approval. Budget amendments that require Trustee approval are presented to the Board periodically during the fiscal year, as needed.

Budget adjustments between account codes within the same function may be requested at any time. These requests are submitted on a Budget Adjustment Request form. The Business Manager will review, and process if approved, the budget adjustment.

Section 5

Accounts Receivable

Guidelines

Deposits

All money (checks, coin, and currency) collections should be deposited on a timely basis. Appropriate security measures, locked cash boxes, safes, and vaults, should be used to protect all cash and cash items. The responsibilities of receiving funds and writing receipts should be separate from preparing and making bank deposits when possible.

Departments and sponsors shall complete and sign a Tabulation of Monies Collected form for all cash and checks received. The deposits are given to the campus office for verification. After verification by the campus office, the deposits are given to Central Office to be prepared for deposit to the bank.

Checks received in the mail, or other monetary items received directly by Central Office will be counted and recorded in the appropriate receipt book. These items will then be prepared for deposit to the bank. The deposits prepared for the bank are balanced with the receipt books.

All deposits received by the District are sent to the bank weekly. A bank courier picks up the deposits on a designated day, and returns the stamped bank receipts the following business day. These deposits are sent in locked money bags, with one key being kept in the District Central Office safe and the other key being kept at the bank. The courier and the district personnel sign the record of bags received and returned.

Deposits are recorded in the general ledger within three days of the deposit date.

Returned Checks

Notices of checks which were returned due to “insufficient funds” or “closed account” are received by the Accounts Receivable Clerk. The returned checks are recorded in the ledger on a General Journal Voucher. The check writer is notified of the returned check by a prescribed letter. The District charges a \$25 handling fee for all returned checks. The Superintendent may waive the handling fee if circumstances warrant.

Returned checks which are not resolved after sixty days will be forwarded to the District Attorney’s office for collection action. If an employee has a returned check which has not been resolved, the amount of the check and the handling fee will be withheld from the employee’s paycheck.

Petty Cash

The term “petty cash fund” refers to a fund that has a fixed amount of dollars allotted to the fund. The funds are usually used to make change or to make minimal purchases. The petty cash fund is restored to its original amount at frequent intervals by the issuance of an accounts payable check to the custodian of the petty cash fund. The replenishment check is equal in amount to the expenditures made from the fund. As each cash payment is made, a receipt is placed in the fund in lieu of the cash removed.

The principal or department head is responsible for ensuring that the rules established herein are followed by the persons(s) designated to handle petty cash funds. Petty cash purchases should be kept to a minimum and employees who have been assigned, as custodians of petty cash funds are required to maintain accurate accounting records for all transactions. The petty cash should be kept locked in a safe place when not in use.

The Central Office petty cash accounts will be balanced weekly. If a petty cash account is no longer needed, the funds will be deposited back to the bank.

Section 6

Activity Fund

Guidelines

Student Activity Funds

Student activity funds are held in a custodial capacity by the district. These funds are under the control of the sponsor and the campus principal and shall be used for the benefit of the students. Student activity funds shall be used at the discretion of the student organization through designation of one or more of its officers.

To establish an activity account, an organization should have an approved constitution and elected officers. The assigned organization sponsor shall be responsible for the proper management of the student activity accounts.

Generation of student activity funds should not in any way compete with the district's National School Lunch Program (NSLP).

Campus Activity Funds

Campus activity funds are funds generated by students, teachers, sponsors or the principal as a result of fundraising, vending or other approved campus activities. These funds may be used for activities of the students, faculty, staff or campus.

Accounting for Activity Funds

All expenditures and payments for activity funds are centralized through the district's business office. The same procedures are followed for activity funds as are followed for all other funds within the district. Deposits must follow the district procedures, and Purchase Requisitions must be processed for payments from activity funds.