

# Bloomburg ISD

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## Business Office Procedures

The Business Department is responsible for the disbursement of funds for goods and services received throughout the District. Pertinent documents (i.e., invoices, packing lists, credit memos) are used to reconcile payment prior to disbursement of funds. The Business Office depends upon campuses and departments timely submitting completed PO's with accurate and clear information. Business Manager's goal is to remit accurate payment within 30 days from the date of the invoice, barring any issues or problems.

Business Manager – will:

- Ensure timely and accurate disbursement of funds
- Reconcile and resolve issues with district personnel or vendors when necessary
- Disburse funds for all district approved vendors
- Reconcile invoices/packing lists, if required/credit memos to PO's to ensure proper disbursement of funds
- Communicate and resolve issues with vendors and district organizations regarding payments on anticipated delays or payment problems

### I. Pre Acquisition and Purchase Orders Requirement

A Purchase Order (PO) serves as the contract between the District and a vendor. In most cases, vendors will be happy to wait on a purchase order before placing your order because it is a binding contract. If an employee places a District order without a valid PO the employee may be personally financially responsible for that order.

### Pre Acquisitions

Pre-Acquisition Approval forms are turned in to campus secretary for approval. An order form or quote from vendor should be turned in with pre-acquisition form if it is a regular PO. If it is a Confirming PO, then the receipt of payment or the documentation of the placed order is turned in with the pre-acquisition form. If it is an Advance Payment request any documentation of what the money will be used for should be attached to the pre-acquisition form. **Make sure that shipping cost are included in your requested amount.**

### Entering requisitions for PO

Requisitions are entered using the TxEIS requisition system. After final

approval, a requisition becomes a Purchase Order. When entering a requisition, ensure the vendor **name and address** are correct, where the purchase order should be **mailed, faxed or emailed is correct**, and insure the **payment/remittance address** is correct. Enter the actual quantity and unit price line by line.

**DO NOT** enter a quantity of one and the total sum. It is the campus' or department's responsibility to contact the vendor, send the PO and order the goods or services. Business Office will not place orders for you.

To get funds disbursed (check), the following will need to be sent to Business Office:

- District copy of PO signed and dated
- Vendor copy of PO
- Signed Pre Acquisition form
- Original Order form
- Invoice
- Credit Memo (if applicable)

### **Confirming Purchase Orders**

Confirming POs are used when items have already been purchased or for vendors that will not send an invoice (i.e. Field trips, registrations, memberships, etc.). The request is entered in TxEIS as a Confirming PO.

To have funds disbursed, the following will need to be sent to Business Office:

- District copy of PO signed and dated
- Signed Pre Acquisition form
- Original itemized receipt/completed registration form

### **Advance Purchase Orders**

Advance Purchase Orders are used when funds are needed with a receipt or invoice for student travel. The signed Pre Acquisition form should include a precise description of the use of the funds, list of the students that are expected to participate.

The date of the trip and the name/purpose of the trip with the Pre Acquisition form. The Pre Acquisition form and documentation should be sent with District copy to Business Office.

The campus will maintain Vendor copy until documentation of actual expenditure is returned (along with any monies not expended). At that time, those documents will be sent to Business Office to complete the transaction.

The sponsor should take a copy of that same list on the field trip and have the students' sign that they received the meal money.

To have a check written, the following will need to be sent to Business Office:

- District copy of PO denoted as a confirming PO and "Advance Payment" written across front of PO.
- Signed Pre Acquisition form
- Documentation of use of funds

Any advanced payment made to school employee will require the employee to sign a "Responsibility of Fund Disbursement" form.

## **Processing POs**

### **Normal POs:**

1. Send Pre Acquisition form with itemized list for Principal approval.
2. Campus Secretary will create and submit a requisition for approval in TxEIS.
3. Campus Secretary will print the PO.
4. Campus Secretary will give the Vendor copy of PO to teacher. Teacher/Campus Secretary will place the order.
5. Teacher receives items and turns in receipt and signed Vendor copy of PO to Campus Secretary.
6. Campus Secretary will send completed PO over to Admin Office for disbursement of funds. Keep copy for campus files.

### **Filling out POs:**

Reference: Who originated the expenditure.

Reason: What the expenditure is for and an obvious connection to budget code used.

Catalog: If items, use vendor's catalog numbers.

Description: If travel...where and when. If purchase...more descriptive of what was purchased.

Anything else is for your own personal usage.

### **Walmart Confirming POs:**

1. Fax Pre Acquisition form signed by Principal with approximate description of purchase for approval to receive Walmart charge card.
2. Return Walmart charge card to Campus Secretary.
3. Return original receipt to Campus Secretary.
4. Campus Secretary will create and submit a requisition for approval in TxEIS.
5. Campus Secretary will print the PO.
6. Campus Secretary will send completed PO over to Admin Office for disbursement of funds. Keep copy for Campus files.

### **Amazon POs:**

1. Fill, Save and Print cart.
2. Create requisition. One requisition for each "seller". Vendor will be Capital One.
3. Submit requisitions for approval in TxEIS.
4. Print POs. Write "Amazon" on PO.
5. Place order.
6. When order is received, send PO over to Admin for disbursement of funds.

Keep copy for Campus files.

#### **Lowe's POs:**

1. Teacher goes online and fills up a cart with items (You don't need an account to do this).
2. Print a copy of the cart.
3. Turn it in with a requisition request to Principal for approval.
4. Campus Secretary will create and submit a requisition for approval in TxEIS.
5. Campus Secretary will print the PO.
6. Campus Secretary will send copy of the cart and the Vendor copy of the PO to Admin. (Just like giving it back to the teacher) Admin will place the order online through our account.
7. Admin will send the Vendor copy PO to the teacher to hold for receipt of items.
8. Teacher receives items and turns in receipt and Vendor copy of PO to Campus Secretary.
9. Campus Secretary will send completed PO over to Business Office for disbursement of funds.  
Keep copy for Campus files.

#### **Hotel receipts**

The employee checking in to a hotel is responsible for obtaining the hotel receipt and must turn it in to Campus Secretary within **one week** of the trip. Any amount refunded from the hotel to the employee must also be remitted to Campus Secretary within **one week** of the trip.

#### **Employee travel reimbursements**

Employees will use the most current Travel Reimbursement Request form. Requisitions are not required to be entered for these payments. Personal vehicles may be used if school vehicles are unavailable, check with Campus Administration for approval. Include email documentation from transportation coordinator with request form. Approval must be approved by campus administrator prior to the trip. Mileage is determined using an established method of identifying mileage (i.e. Mapquest, etc) from school to point of workshop/conference. Any deviation of this method must be approved by Superintendent or designee. Actual **itemized** receipts must be used as documentation for purchase of meals or other items. **Do not use highlighter on receipts. Circle amounts being reimbursed for on the receipt.**

Any questions concerning status of payments of PO or Activity Accounts should be directed to Campus Secretary.

## **II. Receiving Merchandise – Packing Lists**

A packing list is a document that is sent by the vendor, usually packed inside or attached to the merchandise you receive. The packing list will generally describe the merchandise being sent. Packing list should be submitted with PO to Campus Secretary.

#### **Your Responsibility**

When the department signs the Vendor copy of the purchase order, they are confirming that they have received all items ordered. When the campus signs the District copy of

the purchase order, they are giving the Business Office permission to disburse funds for the "received" merchandise. This cannot be done until the Invoice is received and confirmed with the PO. If any changes need to be made to the PO to match the Invoice, it should be done on the original PO by hand. Business Office does not need the packing lists - you have already told us to pay for the items by signing the District copy of the PO, except for "see attached" PO's. (see Exceptions below)

Upon receipt of your delivery, verify the count, and the items you ordered against the packing list and your PO. If you receive damaged items, incomplete quantity of items, received items not on your order, or incorrectly priced items, please notify the Customer Service Department of your vendor.

They will give you proper instructions according to their policy if a return is necessary. Do not make substitutions for items on your original purchase order. Instruct vendor cancel them. If the items are out of stock, instruct vendor cancel the items and re-order at later date. It is important that only mark items as "received" when items have been received.

To do so otherwise would potentially cause payment of merchandise that you did not receive. Keep the packing lists for your own information and future reference.

#### **Exceptions**

When placing a large order with multiple items, the PO must describe reason for items and then state "see attached." With this type of PO, it is mandatory that the packing lists, signed by the requester, be returned with the pink PO after the items and count are verified at the campus. This is the only way Business Office can verify what was received against what was billed. The documentation sent to Business Office must be clearly marked as to the items that have been received.

#### **When in doubt**

If the packing list includes pricing, it may be the invoice that Business Office needs to process payment. If in doubt as to whether the packing list is the invoice, sign and send the packing list to Business Office.

### **III. Credit Memos**

When you have damaged items, returned items or incorrectly priced items, the vendor must issue a Credit Memo or a new invoice. We cannot change invoice totals to match what was actually received. Vendors might say, "just change the invoice" but let them know that we are not allowed to change invoices and must have a credit issued for the correction OR a new invoice be sent from the vendor. Once the credit memo or new invoice is received, the PO can be processed as normal and sent to the Business Office for payment.

### **IV. Activity Accounts**

Activity funds are raised at the campus level for specific groups. They are to be used on students only. The request for funds from an activity account will be made on the Activity Fund Disbursement Voucher form. The form is given to the campus secretary for approval by the campus administrator. Once approved the normal PO procedures are followed.

Sponsor/Advisor will fill out a deposit slip appropriately and then make a copy for Sponsor records. Deposit should include details and notes concerning the purpose/reason for the deposit. The deposit is made and the properly stamped deposit slips are posted by Campus Secretary into the Activity Account. Any questions concerning amounts are directed to Campus Secretary.

All funds collected from activities should be deposited into the activity account. Money or checks received should never be taken home by an employee. Any expenditure needs to be properly requested and approved. **Do not utilize undocumented cash to make purchases.**

## **V. Fundraisers**

A request for a fundraiser must be approved by the campus administrator through the Fund Raising/Sales Activity Application. Once it is approved the application is returned to the sponsor. At the conclusion of the fundraiser, the sponsor will complete the form and return it to the campus secretary with deposit slip attached. The campus administrator will validate the fundraiser and send it to Business Office.

## **VI. Check Schedule**

### **Documentation**

When items on the purchase order are received in an acceptable condition at your campus, the Vendor copy of the purchase order is submitted to campus secretary. It is placed with the District copy of the purchase order and **MUST** be signed by your organization before Business Manager can pay for the goods.

Items cannot be paid until an invoice is received from the vendor. Invoices mailed to the administration office will be placed in campus school mail. The campus secretary is responsible for matching the invoice and packing slip with the purchase order, getting appropriate signatures and promptly remitting to the Business Office by campus mail.

### **Order Completion – NO BACKORDERS**

After ordering, the pink copy of the purchase order should be held at the campus or department until all goods are received and invoiced. Be sure that your order is complete and that any items on backorder are cancelled before sending the Vendor copy to the campus secretary. Send the pink and purple copy to Business Office. A new requisition and PO will need to be prepared for any items cancelled that you wish to re-order.

### **Deadlines**

The District copy of the purchase order, along with proper documentation, must be signed and delivered to Business Office by 3:00 on Friday in order to be included in the next Friday's check run. Friday is the only day of the week that any checks will be written during the school year (with the exception of the last week of the month). During the summer, this schedule will be modified slightly but checks will only be written once per week.

### **Exceptions**

If a deadline is missed, approval by the Superintendent **must** be granted before any exception to the above procedure will be made. Exceptions may be granted on a case-by-case basis depending on circumstances. Please contact Business Manager or Executive Assistant to the Superintendent by email.

### **Payment Status**

Please contact Business Office by **email** for the payment status of an invoice.

### **VII. Distribution of Checks**

Checks can be picked up after 1pm on Friday from the campus secretary:

- Registration for workshops
- Hotel accommodations
- Field trips
- Employee reimbursements

Travel Advances for student related travel must be picked up at Administration Office by the person requesting the check and documentation must be signed.

Payroll checks will be disbursed by campus administrators who may pick up checks or pay vouchers on the designated Payday.

All other checks will be sent via the postal service mail. Prior approval before a check can be released if it does not meet the criteria above must come from the Superintendent or their designee.

### **VIII. Fixed Assets Disposal**

All assets are inventoried each year. Any asset with a barcode on it must be accounted for in its disposal. A request for removal of a barcoded item must be made to the campus administrator by using the Fixed Assets Disposal form. The campus administrator will approve and decide on the proper method of disposal. The completed form is sent to the Business Office to update asset file.

### **IX. Contracts**

No campus employee has the authority to enter into contracts and/or grant agreements without the express written approval of the superintendent.

## Internal Controls

- Receipt monitoring
- Spontaneous cash counts
- Review the nature and extent of daily overages and shortages
- Limited access/segregation of duties
- The person taking the cash shall not be the same person making the deposit
- Reconciliations shall be done daily, weekly and/or monthly
- Reconciliations shall be performed by someone other than the person performing the activity

**Guidelines for Cash Handling Procedures** Strong internal controls for cash collection are necessary to prevent mishandling of funds and are designed to safeguard and protect employees for inappropriate charges of mishandling funds by defining their responsibility in the cash handling process. Bloomburg ISD separates the components of cash handling – collecting, depositing, and reconciling – so that one individual does not have responsibility for more than one component.

### **Campus and Department procedures for handling of cash**

1. Cash is to be counted by two people, who will verify the amount being sent in for deposit. Make sure to fill out the *Gate Receipts Form and/or, Concession Stand Receipts Form as well as Deposit Verification Form*. The form must be signed by the individuals who prepared the receipt, the Administrator on duty at the time of the event and the Business Office for verification that the amounts are correct before deposited.
2. All cash must be reconciled to its source. If the cash received is a result of ticket sales, the cash received must be reconciled to the ticket count.
3. Administrators will identify the staff to be responsible for cash handling procedures, for example; sponsor, cafeteria manager, etc. Procedures should include “backup” for situations when the primary staff are absent, or unavailable
4. Cash must be reconciled monthly, in all areas, to the district’s reconciliation reports, to commercial bank accounts authorized and maintained by the district.
5. If the reconciliation is to the district’s reconciliation report (for student body accounts), the Business Manager must review and sign the reconciliation report. Reports shall be available for audit.
6. No cash or checks shall be forwarded through mail or messenger service and must be hand delivered.
7. Funds belonging to the school district and funds belonging to the student bodies shall not be intermingled, but shall be receipted for, stored and otherwise handled as completely separate funds.
8. The cashing of personal checks from district or student activity funds is prohibited.
9. The deposit of district or student body funds into any bank account that has not been approved by the District Board of Education is prohibited.
10. Principals and other district personnel delivering monies to the District Office shall deliver the money directly to a designated member of the Business Office staff.
11. All checks shall be stamped for deposit.

12. Deposits shall be made intact, accompanied by deposit slip(s) and/or supporting documentation from the school or department. Direct payment out of receipts is prohibited.
13. Funds will not be taken home by employees of the District for "safekeeping". Funds should be turned in for deposit daily.
14. Schools will identify areas to be used for counting and handling funds with limited access and out of view of traffic.

### **Procedures for Storage of Cash**

1. Each school shall store all money in a locked area with access limited to a few (1 or 2) designated individuals. If money needs to be stored overnight a deposit verification form should be prepared for record of actual cash stored. In the event cash is stored overnight, it is limited to only one night.
2. In the case of those schools and offices having facilities for keeping money overnight, daily deposits should be made in order to reduce cash on hand to an absolute minimum.
3. Money shall not be left in desk drawers or other unprotected places.
4. Notify campus Superintendent and Business Office of any loss or theft of cash immediately upon its discovery and provide written notice of such loss within 24 hours of occurrence.

### **Procedures for Receipt of Cash**

1. All cash and check collections shall be recorded by the person receiving the money. A cash receipt is to be prepared immediately upon receipts of funds. An actual cash count should be made by the person receiving the cash in the presence of the person turning in the money. Each department and/or group will keep receipt book.
2. Under no circumstances shall a cash receipt be changed. If an error occurs in the preparation of a cash receipt, void it and re-issue a new cash receipt. Voided cash receipts should be kept in the receipt book.

### **Deposit of Funds**

Bank deposit slips serve as receipt for all monies deposited and are vital supporting documentation of accurate cash records and are prepared in duplicate or triplicate form.

1. Bank deposit slips shall be prepared in duplicate or triplicate for each deposit. The original deposit slip will be retained by the bank; the duplicate copy will be validated by the bank and returned to the depositor and the school/department should keep the triplicate for their records

2. The following information must be indicated on the bank deposit slip:

- The date and amount of deposit
- The listing of each check in the deposit and amount of the check
- The cash receipt number corresponding to the bank deposit must be referenced

3. The person making the deposit slips, shall not be the person taking the deposit to the bank.

4. Deposits will be taken to the bank by Campus Secretary, ONLY.

Sponsors cannot make deposits.

All checks received for deposit must be payable to the School District and must be endorsed as follows:

- FOR DEPOSIT ONLY - (School Name & Bank Account #)

### **Petty Cash**

Bloomburg ISD does not have petty cash funds.

**Policy/Purpose**

The general purpose of this policy is to provide guidance and procedures for the safeguarding, stewardship, and accountability of school district fixed assets. As used herein, the term “fixed assets” refers to the land, buildings, improvements, machinery, equipment, furnishings, facilities, intangible assets, property, and other resources purchased or otherwise acquired by the district.

**Fixed Assets Definitions**

1. State defined fixed assets: items that have a useful life of one or more years and a unit of \$5,000 or greater (capital assets).
2. Locally defined fixed assets: items that have a useful life of one or more years and a unit cost of \$500 and above (inventoried/controlled). Any electronic/handheld devices that would be considered highly walkable items are also tagged (iPads, digital cameras, tablets of all kinds, chromebooks, etc), regardless of the cost.

**Asset Valuation**

Fixed assets shall be recorded at historic cost. Cost shall include applicable ancillary costs. In the case of gifts, the fixed asset should be recorded at fair market value at the date of receipt.

1. Purchased Assets – The recording of purchased assets shall be made on the basis of actual costs, including all ancillary costs, based on vendor invoice or other supporting documentation.
2. Constructed Assets – All direct costs (including labor) associated with the construction project shall be included in establishing the asset valuation. Bond issuance costs including underwriting costs, legal and accounting fees, etc., associated with the project will also be capitalized.
3. Donated Assets – Fixed assets acquired by gift, donation, or payment of a nominal sum not reflective of the asset’s market value shall be assigned cost equal to the fair market value at the time of receipt.

**Fixed Assets Threshold**

All fixed assets valued at \$5,000 or more shall be purchased using the appropriate 66XX object code.