

## **Introduction**

This manual was written to provide a set of standardized accounting procedures for the administration of Student Activity and Campus Accounts in all elementary and secondary schools in the San Elizario Independent School District .

Principals, secretaries and other employees involved in the handling of these funds should become knowledgeable of the instructions prescribed in this manual.

The principals, teachers, and clerical staff are placed in a position of trust by parents and students when funds are placed in their care. Adequate measures to control these funds will assure parents and students that the funds are handled properly. Student Activity and Campus/Principal Accounts may not be used to circumvent the controls established. Purchases must comply with the District's purchasing procedures and relevant statutes.

## **Types of Activity Funds**

There are two types of activity funds that are common for Texas public schools. The first is a clearing account (Campus/Principals Account) which is used for items such as school pictures, yearbooks, class rings, etc. These funds shall be used to promote the general welfare of each school and the educational development and morale of all students.

The second type of activity fund is the property of student groups, i.e. student council, pep squad, etc. The school district is required to provide stewardship by properly accounting for these funds. Decisions on the use of club funds are the concern of the specific student groups to whom the funds belong, as long as the decisions regarding the use of the funds do not conflict with Board policy and/or legal regulations or restrictions.

To secure the deposit of public funds, all activity funds must be deposited with the district's banking institution. Additional bank accounts are strictly prohibited.

## **Campus/Principal Accounts**

Campus/Principal Accounts contain funds raised at a particular campus which are managed by the principal or other campus administrators. These funds are accounted for as Campus Funds (Fund 461) as stipulated by the TEA Financial Accountability Resource Guide. Campus accounts must be spent to promote the general welfare of the school and the educational development of students. Principals may use these funds to supplement their budgeted district funds. Campus funds should not be spent to benefit any individual or non-student group.

The following is a schedule of some of the appropriate uses and prohibited expenditures from district funds. The list is not all-inclusive, but can serve as a guideline. Any questionable items should be verified through the District's business office.

### **Campus/Principal's Accounts SUMMARY OF ACCEPTABLE/UNACCEPTABLE EXPENDITURES Acceptable uses of campus/principal's funds:**

- Organization, institutional, and individual memberships benefiting the district, campus or group of students. However, if an individual membership is necessary for students to participate in certain activities, then the expenditure is acceptable if a notation is made to document the necessity.
- Educational field trips, meals, and other activities planned for the benefit of students as recognition for accomplishments. The travel expenditures for faculty/staff who must accompany students on a trip are also acceptable provided that expenditures do not exceed the reimbursable limits established by the District's travel policies.
- Parent/student functions such as Open House, Parent Night, & Graduation. Refreshments & snacks for meetings where the school serves as host for related activities for students, staff, & patrons. The expenditure from these functions require an agenda and sign-in sheet.
- Awards such as plaques, paperweights, certificates, school apparel that does not exceed \$25 per calendar year in accordance to IRS, in recognition of students, staff, or volunteers for service to the school or District.
- Reception expenditures related to above.
- Incentives for student involvement, participation, and achievement.
- Supplemental classroom instructional needs and general office supplies, including school furnishings and equipment which will benefit the general student body.
- Improvement of campus and site facilities such as plants, bulletin boards, signs, and flags.

- District approved conference attendance and travel costs for employees on school business, subject to travel allowances as established by the District.
- Refreshments and snacks for teacher in-service and staff development. An Agenda must be provided for staff development.
- Business meals for staff - for reasonable cost comparisons, the per diem amounts are at the current district rates. Appropriate documentation indicating who was at the meeting (sign-in sheet) and what was discussed (agenda) is required by IRS.
- Emergency health or safety needs for students.
- In-district mileage reimbursement for faculty/staff members on school business at the current district rate per mile provided a travel log is kept and attached to the Check Request as documentation.
- Flowers, not to exceed \$75.00 for death, illness, or leave of absence from the campus employee only. (i.e., spouse, parent, sibling, or offspring).
- Check printing fees and bank service charges.
- The payment of advertisements in publications other than those circulated at the District's campuses. The advertisement should state "paid from".
- Loans for campus club accounts.
- Replacement of student items that were lost while in the possession of a district employee.
- Gratuity not to exceed 18% and should be listed on receipt.

#### **Unacceptable uses of campus/principal's funds:**

- Payment of an individual's organization dues or fees that do not provide a direct benefit to the district, campus or to a group of students including the payment of professional liability insurance.
- Reimbursement for luncheons or dinners while attending civic organization's meetings except to officially represent the school district or campus.
- Purchase of any gift for any person or organization; this includes gift certificates, retirement gifts, flowers, holiday gifts, and food gifts. Gifts of public funds are prohibited under Article III, Section 52 of the Texas Constitution.
- Extravagant or high-priced awards such as watches or other jewelry.
- Extra compensation or bonuses to employees whether it be in the form of cash or gifts.
- Payment of an individual's personal bills.
- Parties for staff, including food, decorations, and favors.
- Loans to employees, parents or students for any reason.
- Replacement of an individual's property that was lost, stolen, or damaged on the school or district's premises or while being used at a school or district function. The Texas Tort Claims Act prohibits use of funds in this manner.

- Payment of expenses of spouses or other non-employees (i.e. travel expenses)
- Payment of district mileage to school employees who already receive a monthly travel allowance.
- Appreciation meals furnished to employees that exceed the reasonable limitations noted.
- Abuse of number of appreciation meals furnished to staff.
- Alcoholic beverages, tobacco products, controlled substances, firearms, and other weapons.
- Traffic citations, parking or toll charges, auto repairs.
- Appreciation and fund raising dinner tickets.
- Furniture for administrative offices.
- Flowers for illness or leave of absence.
- Meals or expenses relating to a Parent Teacher Association or Organization.
- Any expense which appears to benefit private individuals or entities in ways so out of proportion to the overall public benefit that they amount to a virtual donation or gift.
- Any other expenditure prohibited by federal or state law, TEA or board policy, or SEISD regulations.
- Structural additions or improvements to the campus unless properly authorized by the facilities department.
- Gift cards, gift certificates, or the like for district employees.
- Note: Any equipment purchased with student activity funds or campus/principal accounts will become the property of the Untied Independent School District and must be included in the fixed asset inventory of the district.

## **Student Activity Funds**

Student Activity Funds consist of money that is received and held by the school as trustee. Individual student groups raise these funds and their disbursement is controlled by that group as long as the decisions regarding their use of funds do not conflict with Board policy and/or legal regulations or restrictions. Student activity funds are accounted for by the district as agency funds (Fund 865) in compliance with the TEA *Financial Accountability System Resource Guide*. The basic purpose for the collecting or raising and expending of activity funds must be for the direct benefit of the students or for the general benefit of the school. Within this scope, funds are to be used to finance activities that supplement the educational curriculum of the District. Fund raising activities shall in general contribute to the educational experience of pupils and shall not conflict with the instructional program. Student activity money shall be expended to benefit a bona fide student group that contributed to its accumulation. Fundraising activities should not be for the individual benefit of a student based on sales, but should be equally distributed to the students holding the fundraiser. **A bona fide student group** is one that has been properly approved by the campus principal

and consists of elected student officers and a faculty sponsor. A roster of newly elected officers is to be furnished to the principal and the campus bookkeeper by October 1st of each school year if applicable. Clubs that do not elect officers and/or hold regular activities for an entire school year will be considered inactive and any balances transferred to the activity funds account. In addition, organizations that do not have a slate of approved officers will not be allowed to conduct any fund raising activities.

The sponsor of each school organization is required to ensure that adequate financial records are maintained. These records, which are subject to audit, should include, at a minimum, the following:

- Monthly Detail General Ledger Report
- Sponsor's copy of cash receipt forms
- Sponsor's copy of invoices or disbursement vouchers
- Minutes of each meeting which detail, at a minimum, attendance, approval of expenditures, discussion of fund raising activities and approval of financial status.

**STUDENT ACTIVITY FUNDS  
SUMMARY OF ACCEPTABLE/UNACCEPTABLE EXPENDITURES  
Acceptable uses of campus/Student Activity funds:**

- Supplies & materials to be used by student members of the group
- Entry fees & other expenses associated with competitions & meetings once all possible resources have been considered
- Travel expenses & meals consumed by the student members & their adult sponsors (travel disbursements must be documented by a SEISD travel & settlement voucher)
- Membership in related organizations
- Charitable contributions & scholarships
- Expenditures related to parties & other entertainment of student members
- Equipment to be used by the student members of the organization
- Flowers, not to exceed \$75.00 for death, illness, or leave of absence from the student's campus only.
- Light refreshments such as pastries & coffee for Open House, Parent Night, or other parent/student functions
- Other reasonable expenditures approved by student membership of the group

### **Unacceptable uses of campus/Student Activity funds:**

- Any purchases not approved by the student membership of the group
- Any purchases other than those listed at the left which benefits adult sponsors & does not benefit student members
- The use of the charter buses or other transportation that has not been approved by the SEISD Purchasing Dept
- Replacement of an individual's property that was lost, stolen, or damaged on the school or district's premises or while being used at a school or district function. The Texas Tort Claims Act prohibits use of funds in this manner
- Gift cards, gift certificates, or the like for the district employees
- Funds derived from the student body as a whole shall be expended in a manner benefiting all students. The management of student activity funds shall be in accordance with sound business practices, including established budgetary and accounting procedures.

### **Responsibilities**

All campus personnel including principals, bookkeepers, secretaries and faculty will be held responsible for any campus and student activity funds entrusted to them. The responsible party will reimburse the Club Account for money (or property purchased with student activity funds) which is lost due to carelessness, fraud, or theft due to carelessness.

**The Principal** is responsible for the overall administration of the Student Activity and the Campus Accounts including the bookkeeping, monthly reporting and compliance with the policies and procedures manual. The principal will approve all fund raising activities in advance and will monitor the activities by reviewing and signing the "Fund Raising/Sales Activity Application". It is the principal's obligation to see that all faculty sponsors have signed the "Responsibilities of Faculty Sponsors of Student Groups" and to ensure that these forms are kept on file.

All activities will be placed on the monthly calendar of event for each campus. The utilization of buildings, buses, etc., must have approval of the campus principal.

Each campus that handles Student Activity Funds must have a safe available for use to safeguard any funds that are deposited with the campus bookkeeper. The safe should be large enough that it can be bolted to the floor for added security if possible and it should not be visible to the public eye if possible.

**The Campus Bookkeeper** (or designated employee) is responsible for the following:

1. maintaining the accounting records as required in the policies and procedures manual,
2. issuing checks when properly authorized by the principal, except at high schools where Student Activity Bookkeepers will issue checks
3. receiving money and issuing a receipt
4. preparing deposit bag to be picked up by courier service
5. posting all transactions on a daily basis
6. following up on problem items as stated by the Student Activity Funds Bookkeeper

The bookkeeper will advise the principal of situations where faculty sponsors continue to disregard required procedures. Due to internal controls, the campus bookkeeper (designated employee) should not participate in the collection of funds from fundraising activities. Bookkeepers are not to accept gifts from sponsors or vendors. It is their responsibility to notify the Principal if a gift is received.

**The Faculty Sponsor** of a student activity group is responsible for safeguarding and accounting for all student activity funds entrusted to him/her. It is the obligation of the faculty sponsor to follow the procedures presented in the Student Activities Sponsors' Manual. This includes maintaining detailed financial records, completing the "Fund Raising/Sales Activity Application" form in order to account for all fund raisers, and for maintaining a positive balance in the respective account at all times. The faculty sponsor will sign a "Acknowledgement of Responsibilities of Faculty Sponsors of Student Groups" form, before undertaking the sponsorship of a student club or organization. If sponsors do not receive proper student activity training and forms are not filled out, sponsors will not be allowed to conduct any fund raising activity. The forms will be filed at each campus. Sponsors are must ensure that "Club Meeting Sign-in Sheets", and "Activity Fund Club Minutes" and the "Club Treasurer's Reports" are completed and maintained.

## **Accounting for Fund Raising Activities**

Only qualified fundraising companies can be utilized by the campus/student activity funds.

Fund Raising is an organized activity to raise funds for an organization or campus. Fundraisers should include a service or product. Under no circumstances should campuses or organizations participate in door-to-door solicitation, donation campaigns of any kind (examples: formal solicitations, letter campaigns, "can shakes", etc.) nor enter into agreements with solicitation firms. Campuses are not allowed under Texas Law to conduct raffles, bingo, and other games of chance.

All fund raising activities involving a vendor or requiring public solicitation must first be approved two weeks in advance by the Principal and the Assistant Superintendent of Finance. Under no circumstances should a campus or organization enter into agreements or advertise an event until approvals from the Principal and the Assistant Superintendent of Finance have been received.

Two weeks prior to any fund raising activity, campuses and organizations must request approval by submitting a [Fund Raising application](#). This application details the vendor, product to be sold or service to be rendered, estimated sales proceeds, Principal's approval and the Assistant Superintendent of Finance's approval. This requirement includes all sponsors, PTA's and booster clubs desiring to begin a fund raising activity. Approval must be received from the Financial Services Office before beginning fundraisers.

Each campus and/or organization will be allowed two fund raising activities per year which involve an outside vendor. Additional funds may be generated through service projects with the prior approval of the principal.

Any amount due from previous fund raising activities should also be noted on the application. Sponsors who do not properly manage their activities and have large monetary amounts outstanding will not be allowed to conduct subsequent fund raising activities.

Within one month of the close of the activity, the fund raising recap portion of the Fund Raising form must be completed and forwarded to the Accounting Department. This form details the total receipts and expenditures of the sale and provides a section to detail lost, damaged or returned products. Monies which are uncollected due to the failure of a student to remit funds should be detailed on the recap form. These records should be maintained by the campus so that the monies can be collected at registration or prior to graduation.

The fund raising recap can easily be completed from the information on the [tabulation of money collected](#) forms. A copy of the approved application and the recap should be attached to the voucher for payment of the merchandise.

The Accounting Department will maintain records of vendor and product performance based on the completed recaps and an annual survey. Vendors who repeatedly fail to meet established standards will not be allowed to do business with San Elizario Independent School District.

## **Community Service-Activity Funds**

Proposals for any fund-raising activity must be submitted in accordance with the procedures outlined in the Fundraising Activities Procedures.

The Board realizes that community service is an integral part of the instructional process. An established student organization may adopt a community project with an entity qualified under federal tax law to receive donations for charitable purposes. These organizations must file a copy of their approved 501(c)(3) status with the Financial Services Department prior to the start of the fundraising activity. Adopted projects shall not benefit an individual or an organization without a 501(c)(3) status.

## **Scholarship Procedures**

A club organization that intends to award scholarships at the end of the school year must submit the criteria in writing no later than October 1st to the campus principal and counselor. A written approval from the campus principal is required. If a club organization wishes to use their funds to issue a scholarship, the officers and sponsor of the organization must submit a signed "Transfer Request" form to the principal for approval. The "Transfer Request" form will include the name of the individual and/or institution and the amount of the scholarship being awarded, along with any other requirements listed by the club for the award of the scholarship. These Funds will then be transferred to the Scholarship account. The campus counselor and bookkeeper will coordinate throughout the year to keep track of receipts and disbursements made through the Scholarship account. The campus counselor shall be notified by the bookkeeper about any unclaimed scholarship awards. Individuals being awarded scholarships will be required to present proof of registration from the college/university that he or she will be attending before the receipt of funds. Scholarships awarded to students will be made out in the form of a check made payable to the institution of the recipient's choice and the recipient. Awards of \$50.00 or less will be made payable to students. Scholarship awards not claimed by April 30th of the following year will be forfeited unless other arrangements have been made in advance. In instances when a check is not picked up, the funds shall remain in the Scholarship account to be awarded to future recipients at the originating clubs discretion. If the club that issued the scholarship is no longer in existence, the funds shall remain in the Scholarship account to be awarded to another individual based on criteria as established by campus administration. These efforts must be coordinated through a selected Counselor at the respective campus since he/she will have the authority to distribute the funds from the Scholarship account.

## **Determining if a sale is taxable or non taxable**

Texas school districts, public schools, qualified exempt private schools and each bona fide chapter within a qualified school are exempt from the payment of Texas Sales and use tax on purchases of taxable items for their use, if the purchases are related to the organization's exempt function.

School districts, public schools, qualified exempt private schools and each bona fide chapter within a qualifying school may conduct two one-day tax free sales or auctions each calendar year. For the purposes of this exemption, one day is counted as 24 consecutive hours and a calendar year is the 12-month period from January through December.

For example, a school may sell taxable items such as t-shirts, hats, uniforms, school supplies or crafts tax-free on a designated tax-free sale day. These days should be designated in advance so that purchasers are aware that the sales are not subject to tax. The organization may not collect tax on the transactions and keep the tax under the "tax-free" sale provision. The exemption does not apply to any item sold for more than \$5,000 unless it is manufactured by the organization or donated to the organization and not sold back to the donor.

Either the date on which the items are delivered by the vendor to the school organization or the day on which the school organization delivers the items to its customers may be designated as the one-day tax-free sale day. Persons buying from surplus inventory on the designated date do not owe tax, Those buying on a subsequent dates owe tax unless the purchase occurs on the organization's other tax-free sale day.

For example, a school group selling yearbooks may accept pre-orders without collecting tax if the day the yearbooks will be delivered to customers is designated as one of the group's tax-free fundraisers. Surplus yearbooks sold during the same day also qualify for exemption. Surplus yearbooks sold on other days are taxable unless sold at the group's other tax-free fundraiser.

## **Determining taxability of sale**

### **Step 1.**

When determining whether a fundraiser or other type of sale is taxable or non taxable, the first consideration is whether the item is a taxable product. The following chart depicts examples of taxable and non taxable items. If the item is classified as non taxable, no sales tax should be assessed.

### **Step 2.**

The next consideration is whether the school group is considered a bona fide chapter according to State sales tax laws as stated below:

A bona fide chapter is a group that must be organized for some business or activity other than instruction or a participatory group. Essentially, any student group that is recognized by the school and is organized by electing officers (not just participatory captains), holding meetings, and conducting business are bona fide chapters of the school and each group may have two, one-day tax-free sales in a calendar year.

Groups meeting for classroom instruction or team sports are not categorized as bona fide chapters and do not qualify for the tax-free day sales. For example:

- The school district qualifies for a tax-free day
- The school-wide fundraiser qualifies for a tax-free day
- The Basketball Club qualifies, but the basketball team does not
- The Cheerleader Club qualifies, but not the cheerleader team
- The Debate Club qualifies, but debate teams and classes do not
- The French Club qualifies, but the French classes do not
- The Senior Class qualifies, but not one particular class that has senior in it

### Step 3

If the sales is considered taxable and the school group is considered a bona fide chapter, then the organization may deem the sale as one of its two, one-day tax-free sales.

- Each school district, each school and each bona fide chapter of each school is allowed to have two, one-day tax-free sales each calendar year. To qualify for a tax-free sale, the organization must receive products deemed for sale in one shipment. Any items received after the initial shipment must be taxed. During these tax-free sales, the organization may sell any taxable item tax-free when the price of the item is \$5,000 or less. There is no limit on the number of bona fide groups at a school or school district.

### Exceptions:

- Book Fairs-The school shall collect sales tax on all taxable sales. If the school assumes responsibility for the activity and/or sales, the school is responsible for insuring the tax is paid. Schools may purchase books tax free for their own use because educational organizations have a statutory exemption. However, when students or other individuals purchase books, the purchase price is taxable and sales tax should be collected at the time of the sale. Sales tax is due regardless of whether the company makes the sale or the school makes the sale for a company on consignment.
- Catalog/Brochure Sales- For sales in which the campus/student group is considered an "agent", the one-day tax free sale provision cannot be

used. (The campus/student group serves as an "agent" when it takes orders for the vendor and then receives a commission or percentage of the sales revenue.)

**Taxable Sales**

State and local sales taxes shall be imposed and collected on all sales for:

Agenda Books	Magazine-Subscriptions less than 6 months
Agricultural Sales	Magazines-when sold individually
Art-supplies and work of art	Musical supplies-recorders, reeds
Artistic-CDs, tapes, videos	Parts-career & technology classes (not to include products used in cosmetology)
Athletic-equipment and uniforms	Parts-upholstery
Auction items sold	PE-uniforms, supplies
Automotive-parts and supplies	Pennants
Band-equipment, supplies patches, badges, uniform sales and rental	Pictures-school, group (if school is the seller)
Book Covers	Plants-holiday greenery and poinsettias
Books-workbooks, vocabulary, library, author (when we are the seller)	Rentals-equipment of any kind
Book Fairs-all books sold	Rentals-uniforms of any kind, towels
Brochure Items	Repair to tangible personal property (i.e., computer repair, house remodeling)
Calculators	Rings and other school jewelry
Calendars	Rummage, yard and garage sales
Candles	Safety supplies
Car -painting, pin striping	School publications-athletic programs, posters
Clothing-school, club, class, spirit	School publications-brochures
Computer-supplies, mouse pads	School publications-magazine (unless >six month subscription)
Cosmetology products sold to customers	School publications-newsletters, newspapers (generally are not sold though)
Cups-glass, plastic, paper	School publications-reading books
Decals	School publications-sheet music,

	hymnals
Directories-student, faculty	School publications-yearbooks
Drafting-supplies	School store-all items (except food)
Family and Consumer Science-supplies and sewing kits	Science-science kits, boards, supplies
Fees-copies, printing, laminating	Spirit items
Flowers-roses, carnations, arrangements	Stadium seats
Greeting Cards	Stationary
Handicrafts	Supplies-any sold to students
Horticulture Items	Uniforms-any type to include PE, dance team, drill team, cheerleaders, athletic, club shirts
Hygiene Supplies	Vending-pencils and other non-edible supplies when the school services the machine
Identification Cards-when they are sold to the entire student body (not just the fine for a lost ID)	Woodworking crafts-entire sales to include parts and labor
Locks-sales and rentals	Yard signs

## **Lost Textbooks**

The following steps should be applied when paying an outstanding invoice for lost textbooks:

All campuses need to have a lost textbook account to account for amounts collected from students for lost textbooks. High schools should include this account in the Principal's bank account. The order of payment for lost textbooks should be as follows:

First, the Lost Text Books account should be depleted for total amount owed.

- You may retrieve funds from the grade level accounts with the exception that you only retrieve funds for the amount that the grade level has outstanding.

Second, the Principal's Account will be charged for any remaining balance unless you have set aside budgeted funds then you can charge this account.

## Miscellaneous Activity Fund Guidelines

### Alcoholic Beverages

The purchase of alcoholic beverages with school funds is strictly prohibited.

### Awards

At certain times during the school year it may be necessary to reward a student or group of students for their achievements (honor roll, perfect attendance, etc.). The principal of a school should exercise caution when rewarding students for an activity that could be associated with the UIL to ensure compliance with UIL rules and regulations. Students participating in fund raising activities may be awarded a maximum of \$50.00 for top sales.

### Benevolence/Social Funds

Social funds are defined as funds generated or contributed solely by school personnel to be utilized and expended at the school's discretion. All expenditures for hospitality, condolence, or any other purpose for the sole benefit of the school personnel shall be paid out of social funds.

### Benevolence Using Campus/Principal's Funds

There are specific criteria that must be adhered to when using these funds. Principals may at his/her discretion use funds from the campus/principal's account to purchase flowers in the event of a campus employee's or campus student's death.

At no time should club activity funds or budgeted monies be used for this purpose. Specific requirements are listed below:

- Must be related to the death of a campus employee or campus student (expenditures for spouses, children, siblings, parents or other relatives or any other purpose shall be paid out of social funds)
- Must be limited to purchases of flowers, plants or other similar expression of sympathy
- Purchase should be limited to \$50

Expenses explicitly prohibited are the following:

- Cash or Gift Cards
- Food
- Contributions to organizations in lieu of flowers (American Cancer Society, etc.)

### Cafeteria Deposits

On a daily basis, the cafeteria manager and cashier will bring the daily lunchroom deposit to the campus office. This deposit must be in a tamper evident bank bag

in order to be accepted by the business agent. The deposit will be stored in the vault for safekeeping until it is picked up by the armored car courier.

### Cash Balance

An accurate cash balance must be maintained at all times to ensure that the account is not overdrawn.

### Cash Loss

The student activity funds sponsor will be held responsible for any student activity fund entrusted to them. The sponsor will reimburse the student organization for any money which is lost due to carelessness, theft, fraud, or failure to follow established procedures. In the event of a cash loss/theft notify the:

Campus Principal  
Internal Auditor  
General Accountant

### Community Service

Proposals for any fund-raising activity must be submitted in accordance with the procedures outlined in the Financial Resource Manual.

The Board realizes that community service is an integral part of the instructional process. An established student organization may adopt a community project with an entity qualified under federal tax law to receive donations for charitable purchases. These organizations must file a copy of their approved 501(c)(3) status with the Financial Services Department prior to the start of the fundraising activity. Adopted projects shall not benefit an individual or an organization without a 501(c)(3) status.

### Faculty Expenditures

Activity funds are generated by the student body. As such, expenditures for the faculty (refreshments, t-shirts, etc.) should be limited. Principals may purchase one t-shirt annually for each staff member in an effort to generate school spirit and for security purposes. Budgeted funds may not be used for this purpose.

The principal may, at his/her discretion, provide refreshments for a faculty meeting and may assist with the expenditures for a faculty or year-end gathering, a maximum of two times per year and a cost of not to exceed \$10.00 per person. At no time should budgeted monies be used for this purpose.

### Fundraisers

Under no circumstances should campuses or organizations participate in door-to-door solicitation, donation campaigns of any kind (examples: formal solicitations, letter campaigns, "can shakes", etc.) nor enter into agreements with solicitation

firms. Campuses are not allowed under Texas Law to conduct raffles, bingo, and other games of chance.

### Gift Cards

In the event a Gift Card is purchased for one of the accepted uses listed below, the following procedures shall be performed to monitor the use. Regular audits will be performed to ensure compliance, including 30-day follow-up requests for receipts.

1. The recipient's name(s) and phone extension must be listed on the purchase request or receipt.
2. The campus secretary/bookkeeper must keep a log of gift cards issued including date of issuance, vendor, amount, gift card number, recipient's name, and a description of its intended use.
3. If the gift card is to be used for miscellaneous consumable items (as detailed below under "acceptable uses"), the recipient of the gift card must maintain itemized receipts to support expenses. Unsupported expenses shall be reimbursed to the District.
4. At High Schools, disbursement vouchers for the purchase of gift cards must be pre-approved by the Assistant Superintendent of Finance (similar to the pre-approval for large purchases).
5. When gift cards are purchased for students, the [Gift Card Receipt Form](#) must be completed and submitted as support for purchasing card statements, reimbursement claims and disbursement vouchers.

### Unacceptable Uses

- Appreciation Gifts (except as authorized through Social Funds which are generated solely by campus personnel contributions)
- Gifts to individuals for services performed
- Grant Funds cannot be used to purchase Gift Cards
- Benevolence and Retirement Gifts using the Principal's Fund

### Acceptable Uses

- Student Recognitions/awards (\$50 maximum)

### Principal's Account Balance

A minimum of three months operating expenditures should be maintained in the principal's activity account at all times. [How to Calculate Minimum Balance](#) (pdf)

### Payments to Employees

Payments and gifts to employees are not permitted from the student activity fund. Purchase of gifts for special occasions, e.g. baby showers, retirements, birthdays, should be purchased using the Benevolence/Social Funds.

### Personal Check Cashing

Employee personal checks may not be cashed or substituted for cash collections.

### Refunds

All refunds for students under eighteen (18) years of age for tuition, textbooks, etc., must be generated on a school check payable to the student's parent or legal guardian. Cash refunds from the petty cash account or previously receipted monies are not allowed.

### Retirement Gifts Using Campus/Principal's Funds

There are specific criteria that must be adhered to when using these funds. Principals may at his/her discretion use funds from the campus/principal's account to purchase retirement gifts for a campus employee.

At no time should club activity funds or budgeted monies be used for this purpose. Specific requirements are listed below:

- Must be a campus employee
- Must limit purchases to flowers, plants, plaques or other gifts of appreciation
- Purchase should be limited to \$50

Expenses explicitly prohibited are the following:

- Cash or Gift Cards
- Contributions to an organization in the employee's name (American Cancer Society, etc.)

### Scholarships

If a club wishes to donate a portion of their ending balance to the scholarship fund, the officers and sponsors of the organization must submit a signed request to the principal. The funds will then be transferred to the scholarship account. A committee of faculty members will evaluate the scholarship applicants and will make a recommendation of recipients and award amounts.

### School Store

An accurate inventory of school store supplies must be maintained at all times. This inventory should reflect those items which are given to individuals as a goodwill gesture.

### 1099 Requirements

In order to ensure that San Elizario Independent School District properly reports

all payments to the IRS, a copy of all supporting documentation (personal services agreements, check copy) must be received by the Accounting Department for all contracted services performed by a private individual or company. The personal services agreement must clearly indicate the individual's name and tax identification number so that the District can secure a W-9 form from the vendor. A W-9 form will be required for all vendors who provide a service (consultant, disc jockey, trophy sales, t-shirts). If in doubt, the campus should contact the Accounts Payable-Team Leader for clarification.

#### Spouse's Expenses

Payments for expenses incurred by spouses are considered illegal gifts of public funds unless the spouse is representing the school district in an official capacity. Reimbursement for spouse expenditures must be received within 30 days.