



Business Procedures Manual

Center ISD
2025-2026

Business Office

Table of Contents

Introduction.....	Page 3
Business Office Contact Information	Page 3
Business Office Functions.....	Page 4
Cash/Check Handling.....	Page 5
Check Processing.....	Page 5
Contracts and Service Agreements.....	Page 5
Fiscal Year.....	Page 5
Account Code Structure	Page 6-12
Purchasing Requisitions and Purchase Orders	Page 13-16
Emergency Purchasing	Page 14
Employee and Student Travel	Page 17-18
Cash Receipts.....	Page 19
Payroll Procedures.....	Page 20-21
Budget Transfers.....	Page 22
Expenditure Reporting of Federal Funds.....	Page 23

Introduction

This Fiscal Manual has been prepared to provide general information about several Center ISD business functions. Additional information may be available within the district's Board Policies, Administrative Procedures, or other web resources.

If assistance is needed in any area of our business operations, please contact any of the staff members listed below.

Business Office Staff

Positions – Contact Information

Center Independent School District
PO Box 1689
Center, TX 75935
(936)598-5642
(936) 598-1515 Fax

Jake Henson – Superintendent, Ext. 2101
Valerie Moore – Chief Financial Officer, Ext. 2114
Lisa Hailey – Payroll, Ext. 2104
Iletha Fountain – Purchase Orders/PEIMS Coordinator, Ext. 2105
Ruth Gonzalez – Accounts Payable, Ext. 2106
Holly Mikesch – Human Resources, Ext. 2110

Business Office Functions

The Board of Trustees, Superintendent, and Chief Financial Officer of the Center Independent School District are charged with the responsibility of supervising the financial affairs of the District. Procedures have been developed to help safeguard all funds (Local, State, and Federal) and to ensure that the District's financial activities are maintained with high standards.

In those regards, the Business Office is charged with providing:

1. A centralized, standard accounting system in accordance with the prescribed regulations from the Texas Education Agency and local policies set by the Board of Trustees.
2. Control over revenues and the disbursement of funds as prescribed by law and board policies.
3. Appropriate financial records and reports as required by regulations and policies; and
4. Safekeeping of District assets.

Questions regarding these policies should be directed to the Chief Financial Officer.

This manual will continue to be revised as conditions and needs change. Suggestions for improvement are always welcome.

Check Processing

Business Office checks will be printed on WEDNESDAYS each week to be ready for THURSDAY pick up or mail unless otherwise specified. If there is a need to change this schedule an email will be sent in advance. The check printing process takes time, so please plan ahead if checks are needed for hotel stays, registration/entry fees, reimbursements, etc.

Contracts and Service Agreements

All contracts, service agreements, etc. must be approved by the Chief Financial Officer and Business Operations. An employee who signs a contract or agreement without proper authorization will be personally liable for the terms of the contract or agreement.

Fiscal Year

The financial year begins on September 1st and ends on August 31st. All goods and/or services received and invoiced during these dates must be paid from current fiscal year funds.

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.

BASIC SYSTEM CODE COMPOSITION

A complete listing of all revenue and expenditure codes is included at the end of this section.

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

The Object code is 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 is for optional use to provide special accountability at the local level. In CENTER ISD, many of the sub-object codes are used in Activity and Agency Fund groups, with some being utilized sparingly in the General Fund or other fund groups.

Organization Code

A mandatory 3-digit code identifying the organization, i.e., high school, middle school, elementary school, Superintendent's office, etc. is required. 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

The Fiscal year code is 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 2010-2011 fiscal year of the school district, a 1 would denote the fiscal year.

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

This is a single code that is used at the local option.

FUND CODES:

163 PAYROLL CLEARING FUND
164 FINANCIAL CLEARING FUND
199 GENERAL FUND
211 ESEA, TITLE 1 PART A
212 TITLE 1 PART C
224 IDEA PART B FORMULA
225 IDEA PART B PRESCHOOL
240 NATIONAL SCHOOL BREAKFAST AND LUNCH
244 CAREER & TECHNICAL BASIC GRANT
255 TITLE II, TCHR TRAINING/RECRUIT
263 TITLE III LEP
270 TITLE V RURAL & LOW INCOME
279 TITLE II PART D TECHNOLOGY
282 ESSER III
284 IDEA – PART B, PRESCHOOL – ARRA
285 TITLE I PART A – ARRA
289 TITLE IV SUMMER SCHOOL LEP
385 VISUALLY IMPAIRED GRANT
411 TECHNOLOGY ALLOTMENT
429 DYSLEXIA
429 SILENT PANIC ALERT
461 STUDENT ACTIVITY FUNDS
511 INTEREST & SINKING QSCB
514 INTEREST & SINKING
699 CONSTRUCTION
837 EMPLOYEE SCHOLARSHIP FUND
865 STUDENT ACTIVITY FUNDS (organizations having officers)
901 GENERAL FIXED ASSETS
902 GENERAL LONG TERM DEBT

FUNCTION CODES:

- 11 CLASSROOM INSTRUCTION
- 12 INSTRUCTIONAL RESOURCES / MEDIA
- 13 INSTRUCTIONAL STAFF DEVELOPMENT
- 21 INSTRUCTIONAL LEADERSHIP
- 23 SCHOOL LEADERSHIP
- 31 GUIDANCE & COUNSELING
- 32 ATTENDANCE SERVICES
- 33 HEALTH SERVICES
- 34 PUPIL TRANSPORTATION
- 35 FOOD SERVICE
- 36 CO-CURRICULAR ACTIVITIES
- 41 GENERAL ADMINISTRATION
- 51 MAINTENANCE & OPERATIONS
- 52 SECURITY / MONITORING
- 53 DATA PROCESSING
- 71 DEBT SERVICE
- 81 FACILITIES CONSTRUCTION
- 91 CONTRACT INSTRUCTION
- 92 RECAPTURE ASSOCIATED COST
- 93 SSA PAYMENTS TO MEMBER DIST
- 99 INTERGOVERNMENTAL ACTIVITIES

OBJECT CODES – REVENUE

Local Revenues:

- 5711 TAXES - CURRENT
- 5712 DELINQUENT TAX
- 5719 PENALTY - INTEREST
- 5722 REV. FROM MEMBER DISTRICT
- 5739 TUITION AND FEES
- 5742 EARNINGS FROM INVESTMENT
- 5743 RENTAL OF FACILITIES
- 5744 GIFTS - DONATIONS
- 5749 MISCELLANEOUS REVENUE
- 5751 FOOD SALES
- 5752 ATHLETIC ACTIVITIES

STATE REVENUES:

- 5811 AVAILABLE SCHOOL FUND
- 5812 FOUNDATION PROGRAM

5829 MISC STATE REVENUE
5831 TRS ON BEHALF
5841 REV FROM MEMBER DISTRICTS

FEDERAL REVENUES:

5921 SCHOOL BREAKFAST PROGRAM
5922 SCHOOL LUNCH PROGRAM
5923 USDA COMMODITIES
5929 FEDERAL FUNDS FROM TEA
5931 REVENUE SHARS (MEDICAID)
5932 REVENUE MAC (MEDICAID)
5949 REVENUE E-RATE OTHER MISC

OBJECT CODES - EXPENDITURES

Salary & Benefit Codes:

6112 SUBSTITUTE TEACHERS
6119 PROFESSIONAL SALARIES
6121 OVERTIME
6129 SALARIES - SUPPORT PERS.
6139 TRAVEL EXPENSE/ALLOWANCE
6141 MEDICARE MATCHING
6142 MEDICAL/DENTAL/LIFE INS
6143 WORKMAN'S COMPENSATION
6144 TRS ON BEHALF
6145 UNEMPLOYMENT COMPEN.
6146 TRS LOCAL CONTRIBUTION
6148 DISABILITY INSURANCE
6149 EMPLOYEE BENEFITS

CONTRACTED SERVICE CODES:

6211 LEGAL SERVICES
6212 AUDIT SERVICES
6213 TAX APPRAISAL- COLLECTION
6219 PROFESSIONAL SERVICES
6221 STAFF TUITION & FEES
6223 STUDENT TUITION
6224 ATTENDANCE CREDIT PAYMENT
6239 REGION XI SERVICES

6249 CONTRACT MAINT / REPAIR
6255 WATER/SEWER/GARBAGE
6256 TELEPHONE EXPENSE
6257 ELECTRICITY EXPENSE
6258 NATURAL GAS EXPENSE
6269 COPY MACHINE LEASE
6299 MISC CONTRACTED SERVICES

Supplies & Materials Codes:

6311 GASOLINE AND OIL
6319 SUPPLIES MAINT/OPERATIONS
6321 TEXTBOOKS
6329 PERIODICALS/NEWSPAPERS
6339 TESTING MATERIALS
6341 FOOD COSTS
6342 NON-FOOD COSTS
6344 USDA COMMODITIES
6349 FOOD SERVICE SMALL EQUIP
6398 COMPUTERS
6399 GENERAL SUPPLIES

Travel & Other Miscellaneous Operating Costs:

6411 EMPLOYEE TRAVEL
6429 INSURANCE EXPENSE
6439 SCHOOL BOARD ELECTION
6493 MEMBER DIST. PMTS. SSA
6499 MISC OPERATING EXPENSES

Debt-Related Costs:

6511 PRINCIPAL ON BONDS
6521 INTEREST ON BONDS
6599 OTHER DEBT FEES

Capital Outlay Costs:

6628 BUILDING CONSTRUCTION
6629 BUILDING CONSTRUCTION FEES
6631 EQUIPMENT/VEHICLES
6639 FURN. / EQUIP > \$5000

ORGANIZATION CODES

Campus Locations

001 CENTER HIGH SCHOOL
002 ROUGHRIDER ACADEMY
041 CENTER MIDDLE SCHOOL
101 CENTER ELEMENTARY SCHOOL
104 FL MOFFETT PRIMARY SCHOOL

District-wide Locations

701 SUPERINTENDENT
702 BOARD OF TRUSTEES
750 BUSINESS OFFICE
999 DISTRICT WIDE

PROGRAM INTENT CODES

11 BASIC EDUCATION SERVICE
21 GIFTED / TALENTED
22 CAREER / TECHNOLOGY
23 STUDENTS W/DISAB SP ED
24 ACCELERATED EDUCATION
25 BILINGUAL ED / ESL
26 NONDISCIPLINARY AEP
28 DAEP BASIC SERVICES
91 ATHLETICS
99 UNDISTRIBUTED

Purchase Requisitions & Purchase Orders

An approved purchase order must be obtained prior to the ordering of materials or services. The purchase order is written evidence of orders placed as a result of receiving a properly approved purchase requisition. Acceptance of the purchase order by a vendor forms a legally binding contract that gives the vendor authority to ship the required goods and binds the District for payment upon compliance.

Anyone creating or authorizing such a commitment prior to securing a valid purchase order will be held personally liable for payment of such agreement and/or may be liable to prosecution under the Texas Penal Code Chapter 39 Abuse of Office, Section 39.01.

A purchase requisition is a written request for the purchase of supplies, services, equipment, etc. and is the first step in obtaining a purchase order. Items requested must be included in the District's approved budget and funds must be available. Once the Campus Principal or Maintenance Supervisor approves the requisition, a valid purchase order will be developed in ASENDER by the campus secretary to use in acquiring the goods/services. The Purchase Order will be processed through the requisition program, presented to the Chief Financial Officer for approval. The approved requisition becomes a PO and is printed by the Business Office.

All Purchase Orders are to be entered in the electronic requisitioning system (ASENDER Business) regardless of Local, State or Federal Funding.

Please use the description lines to verify how you want the P.O. processed.

For the local vendor Wal-Mart, a Wal-Mart issued credit card is used. The person making the request must pick up the original purchase order and the Wal-Mart credit card before going to the local store and charging their purchase. Receipts and the credit card are returned to the business office for payment to be made.

Professional and Contracted Services:

All contracts for professional and contracted services must be made in the name of Center ISD and signed and approved by the superintendent or designee. All approved contractors are required to submit form W-9, Request for Taxpayer Identification Number and Certification.

ARRA Infrastructure Requirements:

Construction, repair, or renovation projects must comply with all reporting requirements, certification requirements and provisions pursuant to applicable sections of ARRA projects paid with ARRA funds.

Any purchases in the amount of \$1,000.00 or more must first have approval from the Administration Office. A copy of the quote should be sent to the Superintendent and to the CFO. Once approved, a purchase order may be entered.

EMERGENCY PURCHASING

In the event of a catastrophe, emergency, or natural disaster affecting a district, the board may delegate to the superintendent or designated person the authority to contract for the replacement, construction, or repair of school equipment or facilities under Chapter 44 if emergency replacement, construction, or repair is necessary for the health and safety of district students and staff. Tex. Educ. Code § 44.0312(c). A board may make this delegation in its CH(LOCAL) policy.

A public exigency or emergency will not permit a delay resulting from the competitive solicitation or purchase process.

Purchasing Cooperatives

To streamline purchasing processes while satisfying procurement requirements, CISD participates in the Region VII Education Service Center Purchasing Cooperative as well as several other programs including TASB Buyboard, ESC 19 Purchasing Cooperative, Choice Partners, PACE, TIPS, TX Smart Buy, and OMNIA Partners. All purchases made on behalf of CISD must be from vendors with a current award through one of the purchasing cooperatives above. Please note: Just because a vendor was used in the past does not mean they are an approved vendor that has a current award through one of the previous mentioned purchasing cooperatives. Being able to secure an item cheaper from a source not on an approved list does not satisfy state or federal procurement requirements.

Vendors:

Prospective vendors will be directed to bid through one of the purchasing cooperatives mentioned.

REMEMBER:

1. No Purchase Order numbers will be given out over the telephone.
2. No orders are to be placed without prior approval from the Business Office.
3. The following pages will give detailed instructions on entering requisitions.

The ASCENDER Requisition Program:

The ASCENDER Requisition system will be used for all purchases and all capital outlay items.

A PURCHASE REQUISITION MUST BE COMPLETED (ALL DOCUMENTATION PROVIDED) AT THE CAMPUS LEVEL BEFORE A PURCHASE ORDER CAN BE COMPLETED IN ASCENDER BUSINESS.

Program director's review and approve expenditures according to allowable program guidelines.

Center ISD has set up an approval process for requisitions that allow for the security of once it reaches the Chief Financial Officer desk for approval, it has met the following criteria: is an allowable expense, has funds available; has been approved by the campus principal or program director.

CISD is part of and may order supplies through the Region VII ESC Purchasing Cooperative – Kilgore, TX (See link on Center ISD web site.) Before an order may be processed at the campus level, verification of the vendor must be presented.

New vendor or information change: Call, email or fax the information to the accounts payable department. (936) 598-5642 Ext. 2106, (936)598-1606 Fax or email accounts.payable@centerisd.org

Phone Orders: No phone orders unless approved by the Chief Financial Officer. If a phone order is to be made, a purchase order must be filled out and sent to the Central Office thru the computer system and approved by the Chief Financial Officer before it can be called in. After it is processed, it will be returned to the school to be called in if a note has been attached specifying that request.

Online Orders: No online orders are allowed unless approved by the Chief Financial Officer and a

purchase order number provided.

Conference Purchases: Purchasing items at conferences will not be permitted without prior approval by the Chief Financial Officer. A purchase order must be created prior to the conference.

Pre-paid Purchase Orders are only processed when absolutely necessary. Please type "Send payment with order" on the purchase order in vendor information. Central Office will not process a prepayment without proper documentation from the company that they will not accept a purchase order or that a pre-payment is required. (i.e. workshop registration) The purchase order cannot be mailed without the form. If registering online for a workshop, print the information to attach to the purchase order.

If an employee is told that they cannot physically go to a training/conference and they are to do a virtual instead; and that employee chooses to go anyway, the employee will be responsible for their own conference fees, hotel, vehicle expenses such as fuel, etc. and all meals. We WILL NOT reimburse them for ANY travel. This will also NOT be a school business day in Frontline. This will be a personal day(s) for that employee.

Receiving of Goods:

When purchase order items are received, the secretary will need to send the pink copy back to Central Office. **Always make sure the pink copies are signed and dated before sending to Central Office.** Incomplete POs will be returned to sender. If any items have been discontinued it will be necessary to note that on the pink copy so Central Office will not hold payment for that item. If it becomes necessary to void or reverse a PO, send Central Office a copy asking for the PO to be reversed. Once the PO is reversed it cannot be printed again.

When freight is checked in, the individual responsible for placing the order will be required to call company if all items have not been received. Document the contact information, the resolution and forward the information to Central Office.

The campus secretary will be required to call the company if it is necessary to cancel a purchase order.

When merchandise is received the person receiving the merchandise signs for delivery and verifies the order. The packing slip and pink copy of PO are then forwarded to the Central Office. Any discrepancies in the order should be noted to the accounts payable department.

REMEMBER:

1. Legally, the District cannot reimburse employees for sales tax.
2. No orders are to be placed without prior approval from the Business Office.
3. Complete the Requisition for Supplies order form with the principal/director's approval.
4. Supplies may be purchased from any approved vendor.
5. Before purchasing items, employees are encouraged to compare prices with at least three vendors.
6. Include shipping and handling when comparing prices.
7. Campuses are encouraged to group orders to avoid excess shipping and handling fees

Employee and Student Travel

Center ISD operates a travel reimbursement plan pursuant to Internal Revenue Service Rules and Regulations. Under this accountable travel reimbursement plan, payments made are nontaxable to the recipient if:

1. There is a business connection for the expense and is incurred in connection with services performed as an employee.
2. There must be adequate accounting of the expense within a reasonable time. The employee must verify the date, time, place, amounts and business purpose of expenses.
3. **Receipts are required! No exemptions!**

Travel Reimbursement Rates

District employees will be reimbursed for travel related expenditures such as transportation, meals, lodging, parking and incidentals only on overnight travel. Miscellaneous items such as laundry service, personal telephone calls, and amusements will not be reimbursed. All travel expenses will be reimbursed after the travel is complete. If a spouse accompanies an employee on a business-related trip, no expenses for the spouse are reimbursable. Airfare for the spouse is to be purchased with personal funds.

MEALS

Itemized receipts are required for all Adult and Student travel.

Adults:

\$68.00 per day

The meal rate is set by the Texas Comptroller of Public Accounts.

LODGING

The State of Texas rate is \$110.00 per night for lodging and is set by the Texas Comptroller of Public Accounts. All federal grants must adhere to the \$110.00 plus city tax per person per night. No exceptions allowed. All other lodging costs should adhere to the most practicable rate available per conference or trip location. A separate check will be made payable to a hotel for lodging whenever practicable.

Center ISD does hold a credit card that is used for the purpose of securing a hotel reservation. It is required that a check request be made to pay at the time of check in.

MILEAGE

The standard mileage rate follows the State of Texas rate and is updated accordingly.

Transportation

The following forms of transportation options are available. The most economical option will be provided by the Transportation Department.

School Vehicle

Personal Vehicle

Lowest available commercial airline

Mileage Reimbursements

The district has vehicles available for employee use. However, priority is given to trips involving the transportation of students. All employees will be required to use an alternative form of transportation when a vehicle is not available.

Mileage reimbursement is based on campus to point, then point back to campus using GoogleMaps.com. Travel to/from the home to the campus or place of work is non-reimbursable. A PO for mileage reimbursement must be entered and approved prior to travel. Mileage will be reimbursed at the State's rate for school related travel.

1. Out-of-District Mileage:

Mileage will be reimbursed at the State mileage reimbursement rate effective at the time of the trip when traveling outside of the District boundaries on school-related business.

Example: trips for school related meetings.

2. Staff-development related Mileage:

Staff-development and out-of-district travel will be approved based on the most economical method. The preferable mode of travel will be a school vehicle. Should a vehicle not be available, a comparison will be made among mileage reimbursement, and coach class airfare. Each trip will be evaluated based on the destination and the number of persons traveling.

When the mileage reimbursement method is approved, the owner of the vehicle will be reimbursed for mileage to and from the destination. If several people travel together, only the vehicle owner will be reimbursed.

3. Student Travel:

Student travel should be in a school owned vehicle for liability purposes. Please do not transport students in a personal vehicle.

ALL GAS CREDIT CARD RECEIPTS MUST BE RETURNED WITH THE CREDIT CARD TO THE TRANSPORTATION DEPARTMENT WITH THE VEHICLE.

All reimbursement for travel related expenses should be turned in through the requisition program.

Cash / Check Handling

All money (checks, coin, and currency) collections should be deposited on a timely basis. The Business Office recommends deposits made on a Daily basis.

Cash deposits are made on the campus level. Each campus is given deposit slips in triplicate and asked to make deposits daily for all moneys turned in by students and raised by the sale of snacks, etc. On most campuses the secretary is the person who takes the actual deposit to the bank.

No post-dated checks will be accepted. Funds should not be kept in classrooms, personal wallets, purses, or at home. No cash purchases should be made – every dollar collected should be receipted and deposited. Personal employee checks shall not be cashed from monies collected at the campus or district level to ensure an adequate audit trail of all funds collected by the district.

The Food Service department is also expected to make daily deposits. Each cafeteria manager collects money from students during breakfast and lunch. She counts the money and makes the deposit slip. The food service director or food service secretary does a daily pickup of funds received and takes it to the bank daily.

The yellow copy of the deposit slip is turned into the business office and posted to the account indicated on the deposit slip.

The campuses have access to the balances in their budgets through the requisition program. They are able to see at any given time exactly what their balance is.

Taxes are collected and deposited by the Shelby County Tax Assessor-Collector. Each month a collection report is mailed to the Chief Financial Officer. Direct deposits are made for taxes collected into the Center ISD Lone Star Investment Account for Operating Fund and for Interest & Sinking Funds. Prior year delinquent taxes are sent via check along with each monthly report.

Funds direct deposited into the district bank are coded and posted by the Business Office personnel on a daily basis. This information is retrieved from Shelby Savings Bank website and verified against the TEA

Financial report available on the TEA website.

Petty cash funds are not allowed.

Payroll Procedures

Salaried Employees – Professional and Nonprofessional

Professional employees are paid based on years of experience according to current salary schedule. Non-Professional employees are paid according to the current pay grade schedule. Pay information is entered by the payroll clerk after years of service have been verified from employee service record or information received from the Superintendent.

Administrators and Directors salaries are approved by the Board of Trustees based upon recommendations from the Superintendent. Information is given to the payroll clerk and entered accordingly.

Funding codes for each employee are entered into the payroll software upon receipt of documentation from program directors and/or campus principals. The funding information specifies whether the employee is to be funded from more than one fund source.

During budget process the Chief Financial Officer reviews the payroll interfaced into the budget software for correct names, position and assignment to campuses or location. This process is ongoing throughout the formulation of the budget.

Hourly Employees

Time sheets are completed at the campus or department level. When received at the Administration Office for payroll entry, time sheets are sorted and checked for appropriate signatures and calculations. Calculations are verified before entering information in the payroll system. Absences from duty and substitute reports are handled in the same order.

Supplemental and Extra Duty Pay

Supplemental and/or extra duty pay must be approved by the principal, director or supervisor of the employee. Supplemental pay is submitted on a timesheet that has been calculated and approved at the campus level. Once the payroll office receives the information, the calculations are checked before entering into the payroll system.

Federally Funded Personnel

Federally funded personnel must submit to the program director a signed certification of time and effort and a signed job description. The documents are to be filed in the employee's personnel file and copies submitted to the payroll and business office for documentation of funding source.

Disbursement of Payroll

After all monthly data is entered, reports are run to verify and balance information. Once balanced, checks are printed and an EFT file is created for employees participating in direct deposit. Signatures are added to checks as they are printed. Signatures are password protected and maintained by the Chief Financial Officer. The EFT file is submitted to the district banking institution via the internet for employees participating in direct deposit. The banking website is password protected. The Chief Financial Officer and payroll clerk receives a confirmation email from the bank upon their receipt of the payroll transmittal. Employees participating in direct deposit receive a wage and earnings statement each month through district email. On pay day checks are distributed to appropriate personnel by the office receptionist.

Bank statements are reconciled monthly by the accounts payable clerk.

Annual Payroll Calendar

CISD employees are paid once a month on the 25th of the month. Their annual salary is divided by twelve months and paid in equal installments. .

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 7.7% 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.

All school district employees are required to 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 fill out this form upon the first day of employment, but they may change their exemptions or status once a year or whenever an event occurs (new baby, divorce, death of spouse, marriage) that changes either one.

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) are required to contribute to Social Security and Medicare.

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.

Budget Transfers/Amendments

Budget Transfers between the same function may be requested at any time of the year as needed. The budget is a guide and may be adjusted as needed between object codes. An example is when more budget is needed for supplies from a travel account within the same function.

Complete a Budget Transfer/Amendment Request form and send to the attention of the Chief Financial Officer. The approved Budget Transfer form will be entered and the amended budget will show on the campus/department accounts.

Budget Transfers between functions require school board approval and are noted as a Budget Amendment. These transfers occur monthly and at the end of the school year when a campus or department has budgeted funds remaining in one function and would like to move that budget to another function as needed.

Complete the Budget Transfer/Amendment Request form and send to the attention of the Chief Financial Officer.

Budget Amendments will be entered after the school board has approved the transfer and may take more time to post to the campus/department accounts. (Plan ahead).

Section IX

Reporting of Federal Fund Expenditures

For each reporting period, General ledgers are accessed for each federal fund to report all expenditures for the reporting period. This includes salaries, professional and contracted services, supplies, equipment, travel, fees and capital outlay purchased for the reporting period.

The TEA ER website is accessed to report expenditures for each federal fund by the Chief Financial Officer.

Reports indicating expenditures and balances are distributed to the director of each federal fund along with a copy of the federal expenditure report.