

RYLIE FAMILY FAITH ACADEMIES, INC SCHOOL DISTRICT

Finance Manual

Procedure Guide

RYLIE FAMILY FAITH ACADEMIES, INC SCHOOL DISTRICT

Elected Officials

Board of Trustees

Theda Green – *President*

Charles Oliver – *Secretary*

Karen Belknap – *Member/Founder*

Ernest Crowley – *Member*

Jeanne Campbell – *Member*

Appointed Officials

Alan Seay – *Superintendent*

Gene Walker – Chief Financial Officer

Business Office Phone List

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Chief Compliant Officer, Grants, Federal Funds, PEIMS

Preface

This manual provides guidelines and procedures for budgeting and expending District funds and Federal Grants. It is a compilation of State and Federal laws and local policies and procedures that are to be used for processing all financial and budget related items.

The manual was prepared using input from the Texas Education Agency, Finance Office staff, and other District personnel. Although it is not all-inclusive and cannot address all situations, the manual does provide general information to assist with normal, everyday financial transactions. Any and all District personnel with financial duties are responsible for the contents.

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SECTION I - Finance & Budgeting

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THE CODE STRUCTURE

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.

Example:

A Special Revenue Fund could be coded **211**. The **2** indicates the Special Revenue Fund, the **11** specifies ESEA Title I Part A – Improving Basic Programs.

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.

Example:

The function “Health Services” is coded **33**. The first **3** specifies Support Services – Student (Pupil) and the second **3** is Health Services.

Object Code

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

Example:

Money received for current year taxes is classified in account **5711**. The **5** denotes revenue, the **7** shows Local and Intermediate Sources, the **1** denotes local real and personal property taxes revenue and the final **1** specifies current year levy.

Optional Codes 1 and 2 (Sub-objects)

A **2** digit code for optional use to provide special accountability at the local level.

BASIC SYSTEM CODE COMPOSITION

Organization Code

A mandatory **3** digit code identifying the organization, i.e., High School, Middle School, Elementary School, Superintendent’s office, etc. An organization code does not necessarily correspond with a physical location. The activity, not the location, defines the organization. Campuses are examples of organization codes and are specified for each school district in the Texas School Directory.

Example:

Expenditures for a high school might be classified as **001**. This is a campus organization code that is defined in the Texas School Directory for that high school.

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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 the demographic makeup of the students served.

Example:

An entire class of physics is taught at the basic level. Program intent code **11** would designate Basic Educational Services.

Fiscal Year Code

A mandatory single digit code that; identifies the fiscal year of the transaction or the project year of inception of a grant project.

Example:

For the 2012-2013 fiscal year of the school district, a **3** would denote the fiscal year

Optional Codes 4 and 5

An optional 2 digit code that: may be used by the district to further describe the transaction.

FUND CODES AND ACCOUNT GROUPS

Fund codes are the first, second, and third digits in the code structure.

General Operating Funds (1XX)

(State and locally funded)

199/420 General Fund - This fund classification is used to account for transactions in which the local governing board has wide discretion to use as provided by law. The majority of the transactions handled by the District are accounted for in this fund.

Special Revenue Funds (2XX, 3XX, 4XX) - (State, locally and federally funded)

211 ESEA Title I, Part A

224 IDEA Part B, Formula

225 IDEA Part B, Pre-School

240 National School Breakfast and Lunch Program

244 Title I, Part C, Carl D. Perkins: Career and Technical

255 Title II, Part A: Teacher and Principal Training and Recruiting (TPTR)

263 Title III, Part A: English Language Acquisition and Language Enhancement

404 Student Success Initiative Grant (SSIG)

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829 Activity Funds - These funds are held in a custodial capacity by a school district, and they consist of clearing accounts and funds that are the property of students or others. Locally raised revenues used for general operating purposes, such as certain principal's activity accounts, are not agency funds and are to be budgeted and accounted for in the General Fund.

FUNCTION CODES

A *Function* code appears in the fifth and sixth digits of the code structure and represents a general operational area in a school district. It groups together related activities such as instruction or plant maintenance.

- 11 Instruction** -- A function for which expenditures are for the purpose of directly instructing students including those enrolled in adult basic education programs
- 12 Instructional Resources and Media Services** -- A function for which expenditures are directly and exclusively for establishing and maintaining libraries and other major facilities dealing with instructional materials and media.
- 13 Curriculum Development and Instructional Staff Development** -- A function for which expenditures are directly and exclusively for in-service training and other staff development involving instructional or instructional related personnel of the district.
- 21 Instructional Leadership** -- A function for which expenditures are directly for managing, directing and supervising general and specific instructional programs.
- 23 School Leadership** -- A function for which expenditures are for general administration of a school campus or similar type of organizational unit. In most cases, function code 23 costs are limited to operating a principal's office, and include all types of activities pertaining to the operation of that office.
- 31 Guidance, Counseling and Evaluation Services** -- A function for which expenditures are directly and exclusively for assessing and testing students' abilities, aptitudes and interests; counseling students with respect to career and educational opportunities and helping them establish realistic goals.
- 33 Health Services** -- A function for which expenditures are directly and exclusively for providing health services to individuals. Expenditures for school nurses, other medical, dental and optical services, inoculations, etc., are function 33 costs.
- 34 Student (Pupil) Transportation** -- A function for which expenditures are for providing transportation to students to and from school.
- 35 Food Services** -- A function for food service operation expenditures, including the cost of food, labor, and other expenditures necessary for the preparation, transportation and storage of food.
- 36 Extracurricular Activities** -- A function for which expenditures are for extracurricular or other purposes that are not essential in the delivery of services for function 11, function code 20 series, or other function code 30 series activities.
- 41 General Administration** -- A function for which expenditures are for purposes of managing or governing the school district as an overall entity, and that cover multiple activities that are not directly and exclusively for costs applicable to specific functions.
- 51 Facilities Maintenance and Operations** -- A function for which expenditures are for activities to keep the physical plant open, clean, comfortable, safe for use, and keeping the grounds in an effective working condition and state of repair.

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- 52 Security and Monitoring Services** -- A function for expenditures related to keeping student and staff surroundings safe. Examples include police officers or security guards, school bus security monitors, crossing guards, security vehicles, telephones and radios, and drug detection dogs.
- 53 Data Processing Services** -- A function for which expenditures are for non-instructional data processing services, whether in-house or contracted. Examples of function 53 costs are costs for computer facility management, computer processing, systems development, analysis and design, and those interfacing costs associated with general types of technical assistance to data users.
- 61 Community Services** -- A function for which expenditures are for activities *other than* regular public education and adult basic education programs. These types of expenditures are for services or activities relating to the whole community or some segment of the community, including resources to non-public schools, institutions of higher education, and any proprietary types of services incurred for outside entities in the community.
- 71 Debt Services** -- A function for which expenditures are for the retirement of service fees and for all debt interest.
- 81 Facilities Acquisition and Construction** -- A function for which expenditures are for acquiring, equipping, and/or additions to real property.
- 99 County Appraisal District**

EXPENDITURE OBJECT CODES

An Expenditure Object Code (digits seven through ten in the code structure) identifies the nature and object of a transaction. The District's accounting records are to reflect expenditures at the most detailed level using all four digits available for expenditure object codes.

6100 Payroll Costs

This major classification includes the gross salaries or wages and benefit costs for employee services.

- 6110 Teachers and Other Professional Personnel
- 6112 Salaries or Wages – Substitutes for Teachers and Other Professionals
- 6119 Salaries or Wages for Teachers / Other Professionals
- 6119-18 Extra Duty Pay - Teachers and Other Professional Employees
- 6120 Support Personnel
- 6121 Extra Duty Pay / Overtime - Support Personnel
- 6129 Salaries or Wages – Support Personnel
- 6130 Employee Allowances
- 6132 TRS Supplemental Compensation
- 6139 Employee Allowances
- 6140 Employee Benefits
- 6141 Social Security / Medicare

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- 6142 Group Health and Life Insurance
- 6143 Workers' Compensation
- 6145 Unemployment Compensation
- 6146 Teacher Retirement
- 6149 Employee Benefits

6200 Professional Contracted Services

This major account classification is used to record expenditures for services rendered to the local education agency by firms, individuals, and other organizations.

- 6210 Professional Services
- 6211 Legal Services
- 6212 Audit Services
- 6219 Other Professional Services -- Expenditures for professional services rendered by personnel who are *not employees of the local education agency*.
- 6230 Regional Education Service Center Services
- 6239 Regional Education Service Center Services
- 6240 Contracted Maintenance and Repair Services -- This group of expenditure object codes is used to classify expenditures for maintenance and repair services rendered by firms, individuals, or other organizations, *other than the local education agency*. Maintenance and repair services are for normal upkeep, repair and minor restorations.
- 6249 Contracted Maintenance and Repair
- 6250 Utilities
- 6259 Other Utilities -- Expenditures for all other utilities not detailed above.
- 6260 Rentals - Operating Leases
- 6269 All Other Rentals -- Expenditures for all other rentals not detailed above, including those for equipment, copiers, postage machines, etc.
- 6290 Miscellaneous Contract Services
- 6299 Miscellaneous Contract Services

6300 Supplies and Materials

This major classification includes all expenditures for supplies and materials.

- 6310 Supplies and Materials for Maintenance and/or Operations
- 6311 Gasoline and Other Fuels for Vehicles, Including Buses
- 6319 Other Supplies for Maintenance and/or Operations
- 6320 Textbooks and Other Reading Materials

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6321 Textbooks

6329 Other Reading Materials -- Expenditures for magazine and newspaper subscriptions and other reading material not listed above; subscription services (electronic libraries).

6330 Testing Materials

6339 Testing Materials

6340 Food Service

6341 Food

6342 Non-Food

6344 USDA Commodities

6390 Supplies and Materials – General

6399 General -- Expenditures for those items of relatively low unit cost (even though used in large quantities) necessary for the instruction process and/or for administration. Included here are consumable teaching and office items such as paper, pencils, workbooks, postage, etc.

6400 Other Operating Expenditures

This major classification used to code all other expenditures that are necessary for the operation of the local education agency.

6410 Travel and Subsistence and Stipends

6411 Travel and Subsistence - Employee only -- This code is used to classify the cost of transportation, meals, room, and other expenses associated with traveling on official school business. The cost of employee travel also includes any registration fees associated with attending conferences, including seminars and in-service training.

6412 Travel and Subsistence – Students -- This code is used to classify costs paid on behalf of students traveling for school sponsored events, including transportation costs, meals, participation fees, room, and other expenses associated with students traveling.

6419 Travel and Subsistence – Non-Employees

6420 Insurance and Bonding Expenses

6429 Insurance & Bonding Costs

6490 Miscellaneous Operating Expenses -- This code is used to classify expenditures for operating expenses not mentioned elsewhere.

6494 Reclassification of Transportation Expenses

6499 Miscellaneous Operating Expenses -- Expenditures for fees and dues and awards.

6500 Debt Service

This major classification is used to code all expenditures for debt and debt related costs.

6510 Debt Principal

6511 Bond Principal

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- 6512 Capital Lease-Purchase Principal
- 6513 Long-Term Debt Principal
- 6520 Interest
- 6521 Interest on Bonds
- 6522 Capital Lease-Purchase Interest
- 6523 Interest on Loans
- 6590 Other Debt Service Expense
- 6599 Other Debt Fees

6600 Capital Outlay

This code is used to classify expenditures for fixed assets. Fixed assets, unless otherwise defined below, are locally defined as those items with a unit cost of greater than \$5,000 and a useful life of at least two years.

- 6629 Fees Associated with Building Purchase or Improvements -- Expenditures for architectural, legal, and other fees connected with building purchase, construction, and/or remodeling.
- 6630 Furniture and Equipment
 - 6631 Vehicles – Automobiles: buses, trucks, and vans which cost \$5,000 or more.
 - 6639 Furniture & Equipment -- Furniture with a unit cost of \$5,000: or more and a life expectancy of at least 2 years. Expenditures for all other equipment and capital outlay items not classified elsewhere.
- 6650 Fixed Assets Under Capital Lease / Purchase
 - 6651 Capital Lease of Buildings
 - 6659 Capital Lease of Equipment

ORGANIZATIONAL CODES

A+ Academy	001
Inspired Vision Elementary School	001
Inspired Vision Middle/High School	002
Superintendent	701
Board Members	702
Business Office	750
District Wide	999

PROGRAM INTENT CODES

Program Intent codes (two digits) 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” determines the program intent code, not the demographic makeup of the students served.

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10 Basic Services

11 Basic Education Services -- The cost incurred to provide the primary level of education/instruction to students in grades K-12.

20 Enhanced Services

21 Gifted and Talented Education Program -- This code is used to identify costs for programs established for students who have been identified as functioning at a higher intellectual plane.

22 Career and Technology -- This code is used to identify costs that can be specifically identified with those vocational education programs approved by the Texas Education Agency.

23 Services to Students with Disabilities (Special Education) -- This code is used to identify costs that can be specifically identified with instruction and related services for students with disabilities approved by the Texas Education Agency.

24 Accelerated Education -- The cost incurred to use instructional strategies to provide services in addition to those provided at the basic level of instruction, thereby increasing the amount and quality of instructional time for students at risk of dropping out of school.

25 Bilingual Education and Special Language Programs -- The cost incurred to evaluate, place and provide educational or other services that are intended to make the students proficient in the English language.

28 Disciplinary Alternative Education Program – DAEP Basic Services -students who are separated from the regular classroom to a disciplinary alternative education program. Services must be described in the campus improvement plan.

30 Title I, Part A School-wide Activities Related to State Compensatory - Education Costs on Campuses with 40% or More Educationally Disadvantaged Students – The SCE costs incurred to supplement federal awards for use on Title I, Part A school-wide campuses with at least 40% educationally disadvantaged students (including fund code 211,) in the amount of the SCE allotment used to supplement federal awards. This program intent code is also used in the Special Revenue Fund for fiscal budgets approved in notice of grant awards (NOGA) for School-wide federal projects benefiting Title I, Part A school-wide campuses with at least 40% educationally disadvantaged students.

31 High School Allotment – This program intent code is to be used to account for the \$275 per high school student to prepare students to go to higher education, encourage students to take advanced academic course work, increase the rigor of academic course work, align secondary and postsecondary curriculum and support promising high school completion and success initiatives in grades 6 through 12.

32 Prekindergarten (Pre-K) – The cost incurred for prekindergarten programs designed to develop skills necessary for success in the regular public school curriculum, including language, mathematics, and social skills. The types of expenditures to be recorded using this PIC would include payroll cost, professional and contracted services, supplies and materials, other operating expenses, and capital outlay directly related to prekindergarten services.

Other

91 Athletics and Related Activities – The costs incurred to provide for participation in competitive athletic activities such as football, basketball, golf, swimming, wrestling, gymnastics, baseball, tennis, track, volleyball,

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etc. This includes costs associated with coaching as well as sponsors for drill team, cheerleaders, pep squad or any other organized activity to support athletics. However, this does not include band.

99 Undistributed -- This code is used to identify costs for expenditure functions not specifically identified with the major program areas listed above.

DISTRICT FIXED ASSET GUIDELINES FOR LOCAL, FEDERAL AND GRANT FUNDS

1. Fixed Asset
 1. An item which has a unit cost of **\$5,000** or more.
 2. Will last two years or more
 3. Retains its original shape and appearance with use.
 4. Is non-expendable (i.e., if the article is damaged or some of its parts are lost or worn out, it is usually more feasible to repair it than replace it with a new unit).
 5. Does not lose its identity through incorporation into a different or more complex unit or substance.
 6. If several parts are purchased to assemble into one item or unit, the total cost determines if the item is a fixed asset (i.e., two standards, weighted bases and a net make up one volleyball unit and if the total cost is \$5,000, the unit is a fixed asset. If the net is replaced the following year, it would be a supply item).
 7. All fixed assets will be inventoried through the Chief Financial Officer. The items must be included at the time of entry: funding source, cost basis, acquisition date, location of item.

Federal and Grant Funds

This guidance refers to capitalization of cost with items purchased with Federal and Grant Funds. As a general rule this refers to equipment or software that exceeds \$5000 and has a shelf life of more than 12 months.

Software:

- Life of less than 12 months but more than \$5000 in cost. In this case the initial set up fee would be capitalized, but the subscription fee would not be capitalized.
- Any maintenance fee would also not be capitalized.
- Both subscription and maintenance fee would be coded to 6200 or 6300 depending on the arrangement.
- Slightly different for web-based software:
 - This may be one web-site with individual passwords.
 - If the per unit cost is \$500 and there are 10 users, then the cost is \$5000. You may have to capitalize this.

Definition of a unit

- In some instances a unit can be defined as a single work station or a full lab. (Something like a computer on wheels (COW) would be one unit because it is used for one purpose, in one setting, at one time).

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- However, if the COW is used solely for a recharging station and the computers are taken out each day and dispersed to several rooms throughout the building then it is considered an individual computer and would not be capitalized.

Data management systems with subscriptions of one year

- Maintenance fees that do not last longer than twelve months, are not capitalized.
- However, if the relationship (even informally) continues past 12 months, it needs to be capitalized.

Surplus Equipment/Sale

- Items which are no longer working or cannot be used by another campus or department can be sent to the Maintenance Department.
- The campus or department must call the Maintenance Department to have the item(s) picked up.
- Any computer or computer equipment must be verified non-repairable by Technology before it is deemed to be surplus.
- Equipment purchased with Federal or Grant Funds that have completed their useful life, the Funding Agency must be contacted for proper disposal.
- The superintendent is authorized to declare school property as surplus and to determine the best method of disposal.

Donations

1. Donations of items to the District come in two forms: new items and used items. Items donated to the school or purchased from Activity Funds will be added to the District's fixed asset records and must be accounted for by the school principal and properly tagged as RFFA property. All fixed assets are considered RFFA property, but will remain on the campus under the control of the Principal and club sponsor.
2. Whether new or used, each item that is donated to our District must have the approval of the campus principal or administrative department head receiving the items. A person in the department normally responsible for purchases of this type of fixed asset (i.e., Technology, Maintenance, Custodial, etc.) must be contacted to see if the item meets the following criteria:
 - a. Safe and acceptable for use by students and employees
 - b. Meets the requirements of the instructional program (if applicable)
 - c. True, justifiable need for the item
 - d. Item is in good working order and is compatible with related equipment
 - e. Within the guidelines of the district technology plan (if applicable)
 - f. Meets the District criteria for a fixed asset as defined in the current Finance Manual of RFFA
 - g. Cost \$5,000 or more
3. If the item is **new** at the time of donation and meets all of the criteria listed above, then:
 - a. A donation description sheet must be completed and signed by the required personnel along with an invoice or receipt detailing the cost of the items. This form, along with the invoice, should be sent to the Finance Office so it can be added to the District's fixed assets.
 - b. The District will accept responsibility for maintaining and repairing the item.
 - c. Installation of permanent equipment, such as playground equipment, shelving, etc., should be coordinated with the Maintenance Department.

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- d. You should write a letter to the organization or individual thanking them for their donation. A copy of this letter should be forwarded to the Finance Office to be filed with the fixed asset records.
4. If the item is **used** at the time of donation and meets all of the criteria listed above, then:
 - a. These items will not be added to the District's fixed asset records.
 - b. The District will not replace the items.
 - c. The campus or department may still accept the donated items.
 - d. The District will not accept responsibility for maintaining or repairing the item.
 - e. You should be willing, if requested, to provide a letter to the organization or individual making the donation stating the fair market value of the donation. Keep in mind that "fair market value" is a reasonable approximation of the market value at the time of donation (not the original price paid for the item).

Repair and Replacement

1. The District will repair, as necessary, items that were purchased with District funds which are fixed assets or which **cost \$500** or more. Please keep the following guidelines in mind when considering an item for repair or replacement.
 - a. Repair
 - i. All items submitted for repair will be reviewed on an individual basis. The District typically provides funds for the repair of instructional items or items critical to the operation of a campus which cost \$500 or more; however, budget constraints will be considered.
 - ii. If the item requiring repair is a fixed asset, it must be properly tagged and on the District's fixed asset inventory before any repairs can be made.
 1. Items purchased directly from an activity fund will not be repaired by the District as they will not be tagged.
 2. Any donated items requiring repair must meet the District guidelines for donations.
 3. Fixed assets requiring repair will be evaluated to determine if it is more feasible to replace the item than to continue to repair it.
 - iii. Repair and/or replacement of items costing \$500 or more or fixed assets will be limited to problems that have occurred during the normal operation of the equipment. Equipment that has been damaged or vandalized is the responsibility of the individual campus.
 - b. Replacement
 - i. Items that are considered to be fixed assets and items costing \$500 or more purchased with District funds will be considered for replacement using District funds. Individual campuses and departments will be responsible for replacing items which do not fall within these guidelines.
 - ii. If an item is to be replaced, only the original amount OR the replacement cost for a similar item, *whichever is less*, will be provided by the District. Should the campus or department wish to "upgrade" the item being replaced, the campus or department will be responsible for providing the additional funds to purchase the "upgrade."
 - c. Stolen

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- i. A **police report** must be filed with the Dallas County Sheriff's Office on any stolen item costing \$500 or more or a fixed asset item before the District will replace it. Items stolen that are not a fixed asset, or cost less than \$500 will be the responsibility of the campus or department.
- ii. Only the original amount OR the replacement cost for a similar item, *whichever is less*, will be provided by the District. Should the campus wish to "upgrade" the item being replaced, the campus or department will be responsible for providing the additional funds to purchase the "upgrade."

Purchase of Real Property

Rylie Family Faith Academies, Inc. shall present to the Board of Officers all legal documents with full presentation for purchase consideration prior to making any commitments to any buyer for their approval.

BUDGET PROCESS

Budget Calendar

- | | |
|------------------------------------------|-------------------------------------------------|
| • Second Week of February Administration | Prepare and distribute budget packets to campus |
| • June Board Meeting | Preliminary budget report to Board of Trustees |
| • August Board Meeting | Adopt Budget |

Budget process for Federal and Grant Funds

The Grant Administrator is responsible for overseeing the budget process for all Federal Grants received by RYLIE FAMILY FAITH ACADEMIES, INC. A comprehensive needs assessment is conducted annually and is used for developing all Federal and Grant Budgets. Depending on the grant, the budget process is confirmed, during the "writing of the grant"; or after amounts has been awarded. In each case, the Grant Administrator has budget planning meetings with the various departments involved with the grant. Budget amendments are done with the input from the Grant Administrator and the teachers involved.

If a budget amendment is necessary during the plan year, the grant manager will submit an amendment to the appropriate entity. The following reasons are allowable for all Federal and Grant Funds:

1. 25% rule
2. Change in the number of funding positions
3. Change in program intent
4. Change in funding amount

BUDGET TRANSFER INSTRUCTIONS

The following guidelines are to be used when requesting budget transfers:

- A. Transfers must be made in whole dollar amounts (i.e., \$50.00 – no cents.)
- B. Pre-approved Budget Transfers:
 - a. This type of transfer **does not require approval** from the Board of Trustees and may be submitted to the Chief Financial Officer at any time from September 1st through mid-August of each budget year. Some examples are:
 - i. Moving within the same Function:

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1. From: 420-11-6399-00-XXX-XX-XXX To: 420-11-6219-XX-XXX-XX-XXX
2. From: 420-21-6299-00-XXX-XX-XXX To: 420-21-6319-XX-XXX-XX-XXX
3. From: 420-11-6411-00-XXX-XX-XXX To: 420-11-6399-XX-XXX-XX-XXX

C. Transfers Requiring Board Approval:

- a. This type of transfer **requires approval by the Board of Trustees**. Keep in mind that requisitions may not be processed using these funds until the transfer is approved by the Board. Some examples are:

- i. Changing Function:

1. From: 420-11-6399-XX-XXX-XX-XXX To: 420-23-6636-XX-XXX-XX-XXX
 2. From: 420-23-6411-XX-XXX-XX-XXX To: 420-11-6399-XX-XXX-XX-XXX
 3. From: 420-11-6317-XX-XXX-XX-XXX To: 420-13-6317-XX-XXX-XX-XXX

D. Summarize the transfers as much as possible. When making several transfers from one account, type one "From" line, then list several "To" lines. See example on the following page.

E. TRANSFERS MUST BE IN WHOLE DOLLAR AMOUNTS AND BE AT LEAST \$10.00.

F. Transfers cannot be made between funds. For example, a transfer *cannot* be made from

- a. 420-11-6399-00-XXX-11-000 to 240-11-6399-00-XXX-11-000.

RECORDS MANGEMENT

Requirements

Record retention ensures that critical records are identified and retained in accordance with State and Federal guidelines. The Local Government Records Act establishes the primary requirements for records retention policies and plans. These record retention guidelines are specified in Board Policy – CPC (Legal) & (Local).

Below is a listing of some of the more common records.

RECORD	RETENTION TIME
1099 Forms	7 Years
Annual Financial Funds	Permanent
Application (Foundation Funds)	5 Years after Completion
Audit Reports	Permanent
Bank Statements & Canceled Checks	7 Years
Bond Administrative Records & Registers	Permanent
Budget Work Papers	2 Years
Budgets (Official)	Permanent
Canceled Bonds & Coupons	5 Years
Cash Receipt Books	5 Years
Check Register	7 Years
Construction Project Files	Permanent

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RECORD	RETENTION TIME
Contracts, Architects & Engineers	5 Years after Project Completion
Contracts, Construction	Permanent
Contracts, Facilities Use	4 Year after Expiration
Contracts, Installation	10 Years after Project Completion
Contracts, Maintenance & Service	4 Years after Expiration
Contracts, Other	4 Years after Project Completion
Deeds	Permanent
Deposit Slips	7 Years
Easements	Permanent
Employee Roster	Permanent
Fixed Asset Records	7 Years
General Journal Entries	7 Years
General Ledger	7 Years
Grant Applications	7 Years
Internal Audit Work Papers	5 Years
Inventory Reports	7 Years
Investment Records	7 Years
Journals, All	7 Years
Legal Opinions	Permanent
Paid Bills, Invoices & Expense Statement	7 Years
Pledged Securities Records	7 Years
Purchase Orders (Payment Copy)	7 Years
Returned Checks	7 Years
School Calendar	5 Years
Student Activity Accounting Records	5 Years
Telephone Logs and Activity Records	7 Years

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RECORD	RETENTION TIME
Absence Form Duty Reports	3 Years
Deduction Authorizations	4 Years after Separation
Employee Time Cards/sheet	4 Years
Leave Status Cards	3 Years
Payroll Checks	5 Years
Payroll Registers	7 Years
Payroll Tax Reports	4 Years
W-4's	4 Years after Separation
Accident Reports - Personal Injury	5 Years
Accident Reports - Property Damage	3 Years
Employee Insurance Records	11 Years after Termination
Insurance Policies	4 Years after Expiration
Lost & Stolen Property Reports	3 Years
Hazardous Communication Act Material	Permanent
Blood Borne Pathogen Training Records	3 Years
Hazardous Material Training Records	5 Years
Health Reports of Employees Exposed to Toxic Agents	30 Years after Separation
Material Safety Data Sheets	Until Superseded or Obsolete
Safety Monitoring Reports Concerning Toxic Substances	30 Years
Work Place Chemical List	30 Years
Purchase Orders & Requisitions	7 Years
Successful Bids & RFPs	7 Years
Unsuccessful Bids	2 Years
Annual Reports to State Agencies	Permanent
Tax Correspondence	2 Years
Tax Refund Applications	3 Years

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RECORD	RETENTION TIME
Tax Statement	Until Outside Audit Is Completed
Minutes of School Board Meetings	Permanent
Policies & Administrative Regulations	Permanent or until Superseded
Principals' and Superintendents' Reports	10 Years - Period, 20 Years - Term
School Board Agenda	Permanent
Equipment Maintenance Records	Permanent until Equipment Is Disposed
Facilities Maintenance & Repair Records	3 Years
Fire Safety Inspection Reports	3 Years
Maintenance Work Orders	2 Years
Accident Reports	10 Years
Adult & Vocational Ed Records	7 Years
Attendance Records and Reports	5 Years
Enrollment Reports	7 Years
Fire Drill Records	3 Years
Food Service Records	5 Years
Health Inspection Reports	3 Years
Health Reports Submitted to Texas Department of Health	3 Years
Legal Transfer Records	7 Years
Pupil Accounting Cards	5 Years
Students Cumulative Records	K-8 withdrawal + 7 years 9-12 Permanent
Teacher Grade Books	1 Year, 5 for Voc Ed & Special Ed
Textbook Records	2 Years
UIL Records	2 Years
Annual Transportation Reports to TEA	3 Years
Drivers Records	3 Years
School Bus Purchase Requisitions	5 Years

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RECORD	RETENTION TIME
Food Service Records	5 Years
Certificates, Licenses, or Permits	5 Years after Termination of Employee
Disciplinary & Adverse Action Records	2 Years
EEOC Records, Reports, and Case Files	3 Years
Employee Service Records	Permanent
Employees' Permanent Files	10 Years after Separation
Employment Ads or Announcements	2 Years
Employment Applications	2 Years
Employment Contract	4 Years
Fidelity Bonds	Life of Bond + 5 Years
Financial Disclosure Statements	2 Years
Fingerprint Cards	5 Years after Separation
Grievance Records	2 Years
Observation/Evaluation Forms	4 Years
Performance Appraisal Records	Permanent
Personnel Roster	3 Years
Personnel Studies & Surveys	3 Years
Professional Growth Plans	4 Years
Substitute Teaching Rosters	3 Years
Teacher Certificate Registers	Permanent
Unemployment Compensation Claim Files	5 Years
Workers' Compensation Claim Files	5 Years
Time Deposit Documents & Records	7 Years

SUPPLEMENT VS. SUPPLANT

RYLIE FAMILY FAITH ACADEMIES, INC adheres to the Texas Education Agency policy regarding supplement vs. supplant. Supplement means to add to; to enhance; to expand; to increase; to extend; to create something

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new. Supplant means to take the place of; to replace by something else.

Federal funds may be used only to supplement or augment the educational programs generally offered with state and local funds.

- Federal funds may be used only to provide supplemental services that would not have been provided had the federal funds not been available.
- State or local funds which previously funded activities may not be diverted to another purpose simply because federal funds are now available to fund those activities.
- In other words, the use of federal funds may not result in a decrease in state or local funds for a particular activity, which, in the absence of the federal funds, would have been available to conduct the activity.
- Federal funds must supplement or augment that which must be provided by state law or SBOE rule, or any activities which have been adopted as policy by a local school board of education to fund from non-federal sources.
- If federal funds are used to enhance or expand a state mandate, SBOE rule, or local board policy, the federal supplementary activities must be separately identified and clearly distinguishable from the activities identified as necessary for implementing a state mandate, SBOE rule, or local board policy as outlined in the implementation plan.

SECTION II - Accounts Payable

- I. RESPONSIBILITY FOR PURCHASING
 - a. Purchasing Policy
 - b. Purchasing Authority
- II. LEGAL BASIS FOR COMPETITIVE BIDS & QUOTES
 - a. Bids, Proposals, and Quotes
- III. PURCHASING PRINCIPLES
 - a. Purchase Orders
 - b. Reporting
- IV. INTERNAL PROCEDURES
 - a. Specifications
 - b. Vendor List
 - c. Equipment Warranty, Maintenance, Repair
 - d. Open Records
 - e. Sales Taxes
 - f. Delivery and Receipt of Orders
 - g. Verification of District Data
- V. EMPLOYEE TRAVEL PROCEDURES
 - a. General
 - b. Procedures
 - c. Allowable Expenses and Reimbursement Rates
 - d. Lodging and Meals
 - e. Mileage Reimbursement
 - f. Non-Reimbursable Expense

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PREFACE

The RYLIE FAMILY FAITH ACADEMIES, INC SCHOOL DISTRICT's *Purchasing Guidelines* are intended to be a guide to help you understand purchasing procedures of our district.

The main focus of the Purchasing Department is to facilitate the acquisition of goods and services in accordance with state and federal law in order to meet the needs of schools and departments. Our focus is to facilitate a smooth purchase process at the campus and department levels.

We strive to give our school purchasers the confidence and support they need to be successful. Although oversight of the purchasing process is still centralized, most purchasing decisions are site-based. By placing the majority of the decision making power in the hands of principals and directors, we encourage the control of expenditures and get the most value for the dollars available.

RESPONSIBILITY FOR PURCHASING

- I. Purchasing Policy - Complete purchasing policy and procedures followed by the district may be found in the Texas Education Agency Financial Accountability System Resource Guide: (FASRG) Purchasing Module.

- a. FASRG can be accessed through the TEA website at:

<http://www.tea.state.tx.us/school.finance/audit/resguide8/purchase/index.html>

- b. Board policies pertaining to purchasing can be accessed through the RFFA website at:

<http://www.tasb.org/policy/pol/private/062902/pol.cfm?DisplayPage=CH%28LEGAL%29.pdf&QueryText=PURCHASING>

- II. Purchasing Authority

- a. The following persons are delegated the authority to act as agents for RYLIE FAMILY FAITH ACADEMIES, INC in carrying out the purchasing activities of the district:
 - i. Superintendent
 - ii. Chief Operations Officer
 - iii. Chief Compliance Officer (Agent for Federal Funds)
 - iv. Chief Financial Officer

LEGAL BASIS FOR COMPETITIVE BIDS & QUOTES

Bids, Proposals and Quotes

- I. Purchases less than \$10,000. The following limits apply to the TOTAL requisition amount, not the cost of a particular item. Requisitions cannot be split to avoid obtaining quotes.
 - a. Requisitions totaling less than \$2,000 – no quotes required
 - b. Requisitions totaling \$2,000 - \$4,999 – three (3) phone quotes (keep on campus)
 - c. Requisitions totaling \$5,000-\$9,999 – three (3) written or fax quotes (attach to purchase order).
 - d. Exceptions
 - i. Textbooks
 - ii. Books and encyclopedias purchased directly from the publisher
 - iii. Component repair parts (parts made by the same manufacturer as the item being repaired and no comparable parts available)

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- iv. Buy Board and Region X Purchasing Coop Vendors
- II. Purchases between \$10,000 and \$25,000
 - a. All school district contracts for the purchase of **goods and services Valued between \$10,000 and \$25,000** (computers \$10,000 to \$15,000) in the aggregate during a 12-month period must be competitively quoted. EC 44.033;44.031k
- III. Purchases greater than \$50,000
 - a. All school district contracts for the purchase of **goods and services valued at \$50,000** or more in the aggregate during a 12-month period must be competitively bid. EC 44.031
 - b. Exceptions to 3a:
 - i. Professional Services - architect, physician, certified public accountant, attorney, surveyor, engineer, or state certified real estate appraiser EC 44.031f
 - ii. Sole Source Goods - items only available from one source covered by a patent, copyright, or monopoly; films, books, manuscripts; utility services; and captive replacement or component parts for equipment repair. EC 44.031j
 - iii. Emergency repair or replacement of school equipment that has been damaged or destroyed with the approval of the Board of Trustees. EC 44.031h
 - iv. Computers with an annual aggregate value above \$15,000. EC 44.031k
 - c. These contracts must be preceded by a competitive pricing mechanism. EC 44.031 I
 - i. Competitive bids
 - ii. Requests for proposals
 - iii. Catalog purchase
 - iv. State contracts
 - v. Department of Information Resources (DIR)
 - vi. An inter-local agreement based on bids or proposals (Cooperatives, such as Region X Education Service Center, BuyBoard, etc.)
 - vii. Reverse Auctions
- IV. Notice is required for bids and requests for proposal: To be published once a week for at least two weeks prior to the deadline for receiving responses in a newspaper for the county in which the school district's central office is located. EC 44.031g

PURCHASING PRINCIPLES

The Purchasing Prime Directives

- Approval for purchases must be made prior to purchase.
- Request for payment without a purchase order approved by the Purchasing Department will become the responsibility of the person ordering the merchandise.

General Guidelines

- The Superintendent or his designee must approve purchases via a purchase order number before purchases are to be made.
- Materials for preview must follow the same purchasing procedures as detailed in this section.
- Employees should not purchase materials with their own money with the intention of being reimbursed by the district. Instead, the purchasing procedures outlined in this section should be followed.

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Purchase Orders

All request for purchases are to be processed through the use of the **TxEIS**, Accounting Software system for approval of all district purchase orders.

The purpose of having a purchase order system is to obtain proper approvals before commitments are made and to allow for encumbrance accounting and provide budgetary control. Allowing purchases to be made before getting proper approval circumvents the purchasing system and reduces its effectiveness.

District purchase orders are to go through the district approval process prior to an order being placed. Purchase orders are reviewed, approved by the Business Office on a daily basis. There should not be a delay in placing your orders if the purchase order meets all district purchasing requirements.

Purchases or orders by staff members without first line chain approval will be considered **unauthorized**. At the discretion of administration, the employee who made the purchase may be asked to personally assume responsibility for the amount of the purchase.

PURCHASE REQUISITION

In order to procure goods or services, a requisition must be completed at the campus or departmental level through the TxEIS accounting system and sent to the Business Office for processing. Once all required approvals levels are complete, the requisition will be converted to a purchase order. Requisitions should reach the Business Office at least 2 days prior to the date the purchase order is needed.

The requisitions must be complete and include all necessary information in order for the Business Office to process and convert to a purchase order. Incomplete forms may result in delays for the staff member desiring to make a purchase.

APPROVAL LEVELS

- The Business Office cannot approve and convert a requisition into a purchase order until proper approvals are obtained.
- If there is an emergency or need for a purchase order approval immediately, e-mail or call the Business Office for assistance.
- The purchase order serves as a formal order for goods, materials and/or services from a vendor. No staff member should “call in” an order without an approved/ signed district purchase order.

PURCHASE ORDER FORMS

Distribution of purchase order copies:

COLOR	LOCATION SENT TO
	Vendor Copy
White	(This copy will be returned to the campus / department for processing and order placement.)
Blue	Business Office
	Campus / Department
Pink	(This copy will be returned to Business Office to indicate that that purchase order is ready for payment.)

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VENDOR PAYMENT

No payment will be processed until vendor invoice and pink copy of purchase order is received in Business Office and reconciled to original purchase order.

Checks will be printed on a **weekly basis on Thursday**. To insure that a check is processed on Thursday, all paperwork **must be received** by the Business Office on **Tuesday**.

INVOICES

Payment will not be made to vendor without proper invoice received by the Business Office. All invoices should be sent to the Business Office immediately upon receipt of merchandise. All vendors should be instructed to send invoice to Business Office address at:

P.O. Box 171626

Dallas, Texas 75217

Receiving Procedures

1. Immediately upon delivery of the merchandise, inspect the boxes for damage. Report any damage to the carrier before signing for delivery. Verify the goods or services received against those ordered on the purchase order.
2. Make corrections on the pink copy such as; quantity received, or an item not received, to ensure that the correct amount is paid. If no corrections are made, it will be assumed that everything was received as ordered, and payment will be made accordingly.
3. If delivery is complete, accept the order by signing and dating all pink copies and return them to the accounts payable, Business Office along with any receipts, packing list, etc.
4. If delivery is not complete, it is the responsibility of the receiver to contact the business office.
5. Returns should be made prior to approving the order for payment. Accounts payable should be notified of all returns to ensure that the company issues the proper credits and/or refunds.
6. Cancellation of a purchase order can be done by writing CANCELED on the pink copy of the purchase order and returning it to accounts payable.
7. A monthly review of the outstanding purchase order list helps to ensure that all items received have been properly submitted for processing. Please remember, if late charges have to be paid, they will be charged against the account on the purchase order.

General Purchase Order Procedures

1. Purchase Orders are processed as needed. Once a purchase order is approved by the Business Office the budgeted funds are encumbered at the same time.
2. A purchase order is considered to be only a purchase request until approved by the Chief Financial Officer or designee.
3. Contracts for Purchase will be put into effect by means of a purchase order(s) executed by the Business Office after bids have been awarded to purchase goods or services.
4. The merchandise should not be ordered until the purchase order has been returned to the campus.
5. Once a Purchase Order is issued, the same P. O. number cannot be used for reorders.
6. In the event it is necessary to cancel a Purchase Order, notify the Chief Financial Officer.
7. The Business Office will:

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- a. Verify compliance with bid laws
 - b. Verify correctness of coding according to the Finance Manual, and
 - c. Give final approval if everything is in order.
8. Following final approval, the order may be placed.
 9. Notify Chief Financial Officer when all merchandise/goods/services/expectations have been received.

Reporting

Reporting of expenditures for monthly Board Meeting is done through the Business Office using the following criteria.

1. Board Meeting – At the end of each month financial reports are created for approval at the next board meeting. Included in this financial report is:
 - a. Bank Statement beginning and ending balance for the Month
 - b. Statement of Outstanding Checks
 - c. Statement of Adopted Budget
 - d. Statement of Year to Date Expenditures
 - e. Statement of Budget Balance
2. Federal Grants – Reporting to eGrants is conducted monthly. After each payroll the following procedures will be followed when compiling the reports for reimbursement.
 - a. A detail expenditure report is created.
 - i. From the above two reports, expenditures from each object code (i.e., 6100, 6200, etc.) is recorded.
 - ii. All expenditures must be incurred before a request for draw down is submitted.
3. Receipts – For Local, Federal and Grant Funds
 - a. Cash/check deposits are conducted as needed.
 - b. Deposits from the State Comptroller’s office are monitored monthly via the TEA Payment Website.

INTERNAL PROCEDURES

Specifications

1. Preparation of specifications shall be the responsibility of the School district. The responsibility of the Superintendent is to review the specifications to ascertain whether competitive bids can be obtained and assure that Board policies and state laws are followed regarding the purchase.

2. Specifications must contain adequate technical descriptions to clearly identify for prospective bidders the type of material, equipment, or services required. In addition to the detailed specifications, brand names, model numbers, and like descriptions may be referred to as product meeting specifications to inform prospective bidders of the type of quality required. Descriptions must include quantitative data such as size, weight, or volume and qualitative data such as commercial grade, texture, finish, strength, chemical analysis, or composition where possible.

3. The business office is responsible for payroll and accounts payable. The Superintendent and Chief Financial Officer are the only two employees that have direct access through login’s and passwords to the district financial data.

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Bank reconciliations are completed the first of every month. The Chief Financial Officer conducts reconciliations each month.

Vendor List

RYLIE FAMILY FAITH ACADEMIES, INC has inter-local agreements with

1. Buy Board: http://www.buyboard.com/default_login.html?seq=&rfg=
2. Educational Purchasing Cooperative of North Texas (EPCNT):
<http://www.epcnt.com/Membership%20information.htm>
3. Region X: <http://www.region10.org/>
4. Region XI: <http://www.esc11.net/site/default.aspx?PageID=1>
5. Texas Comptroller of Public Accounts Cooperative Purchasing Program:
<http://www.window.state.tx.us/procurement/prog/coop/>
6. Texas Charter School Association: <http://www.txcharterschools.org/>

Equipment Warranty, Maintenance, and Repair

For repair of equipment that has been received and paid, the school has one of the following options:

- If the equipment is under warranty, contact the vendor from whom it was purchased. If the product was purchased through a District bid, contact Purchasing. (Warranties start the day the equipment is received even if school is not in session and the item is not put in use right away.)
- If the equipment is no longer under warranty, contact the Maintenance Department for repair assistance.
- For those items covered by outside maintenance contracts such as typewriters, duplicating equipment, and some copiers, contact the appropriate service company holding a maintenance agreement with the District.
- For all computer equipment, contact the Director of Technology.

Open Records

All information collected, assembled or maintained by governmental bodies pursuant to law or ordinance or in connection with the transaction of official business is public information and available to the public during normal business hours of any governmental body with certain exceptions.

Three exceptions clearly concern the purchasing operation found in: Texas Education Code Title 110A, 6252-17a, Section 3

1. Information, which if released, would give advantage to competitors or bidders;
2. Information pertaining to the location of real or personal property for public purpose prior to public announcement of the project, and information pertaining to appraisals or purchase price of real or personal property for public purposes prior to the formal award of contracts therefore;
3. Trade secrets and commercial or financial information obtained from a person and privileged or confidential by statute or judicial decision; the concern is that information is not disclosed at inappropriate times leaving the District unprotected.

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Sales Taxes

1. RYLIE FAMILY FAITH ACADEMIES, INC SCHOOL DISTRICT is exempt from the payment of state sales taxes by the fact it is a political subdivision of the State of Texas.
2. Staff members may not use the District's tax-exempt status for purchases of personal property. Anyone avoiding the payment of sales tax by using this exemption may be liable for prosecution under Texas Penal Code, Chapter 39, Abuse of Office, Section 39.01. (This also applies to booster clubs, PTSOs and other outside organizations – they must apply and receive their own tax-exempt status.)
3. When placing a confirming Purchase Order with a vendor, the school or department should indicate to the vendor that the District holds a tax exempt status and should not be charged tax.

Delivery and Receipt of Orders

1. Orders will be delivered to the appropriate campus/office.
2. All orders must be inspected upon receipt. Claims for damages or incorrect orders need to be submitted promptly to the vendor.
3. Returning orders - Contact that vendor directly for pickup instructions.

Verification of District Data

Expenditures

Before checks are written purchase orders are matched against invoices for amounts, vendor information, and expenditure coding. Once the checks are written the invoices are matched against the check before they are inserted in an envelope.

EMPLOYEE TRAVEL PROCEDURES

Overview

Professional development for our staff members is a priority of our schools. We understand that in order to access quality professional development our staff members will occasionally be required to travel outside the district. In those cases there is no intent on the part of the District to dictate the means of travel, type of eating establishment or type of lodging, but only an attempt to ensure the District's resources are being utilized effectively and efficiently. All travel must be reasonable and necessary to accomplish the goals of the program. The Travel Request Form is required for each individual traveling to a conference/training for which expenses are claimed, regardless of whether the individual claims reimbursement. The Travel Request Form does NOT take the place of required Purchase Requisitions and/or Purchase Orders.

Travel Procedures

1. The employee completes the travel request form at least three weeks before travel dates and submits to campus principal. A complete form will include conference/training registration forms, **estimates** on all travel expenses, and signature of the employee.
2. The principal will check availability of funding, determine if requested travel meets the needs of the campus or department, and approve or disapprove the requested travel by the signing and dating the form. **All out of state travel must have prior approval by the Superintendent.**

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3. The principal, or designee, submits appropriate purchase requisitions to cover requested costs (commercial travel expenses, lodging, registration, etc...) and separate purchase requisition for each employee requesting a payment advance for mileage or per diem.
4. Employee(s) travels to the conference/training.
5. **Promptly** upon return, but in no case more than five days from your return, the employee will complete the Travel Request Form with the **actual** the actual expenses and sign the form in the appropriate place.
6. The principal/supervisor will verify the claimed expenses, process any required purchase requisitions, and sign and date the complete Travel Request form.
7. The principal will forward the completed form to the Home Office. Even if no additional accounting is required, the form **MUST** be completed, have approval signatures, and forwarded to the Home Office.

Allowable Expenses

REGISTRATION

- The District will pay for registration expenses for approved professional development conferences.
- Provide conference registration form and conference schedule/agenda with the purchase requisition covering the costs of all employees registration.

TRAVEL

- The District will pay the actual costs of commercial travel whenever the meeting is too far for one to drive or whenever commercial travel is more efficient than mileage. The Superintendent must approve all travel request requiring commercial forms of travel.
- Necessary and reasonable expenses may also include the cost of a rental car, cost for public ground transportation, etc...

MILEAGE

- Mileage reimbursement will be paid when the conference/training is located outside Dallas County.
- The district will reimburse employees for use of their personal vehicle at the rate published by the State of Texas Comptroller at <https://fmx.cpa.state.tx.us/fm/travel/travelrates.php>.
- Mileage will be calculated using an electronic mapping source (www.Mapquest.com or any other online mapping service). Employees shall print out the driving directions provided by the site and attach them to the Purchase Requisition. The map is not necessary to include with the Travel Request Form.
- In the event of multiple employees traveling to the same destination, full mileage reimbursement shall be allowed for one car per each four employees.
- Mileage must be calculated from the employee's primary place of business and will be calculated as the most direct route to the destination.
- Only the Superintendent may grant exceptions to the mileage reimbursement guidelines.

LODGING

- Overnight lodging will be provided when the conference/training is located more than 50 miles from the employee's home campus.

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- The District will pay up to the maximum lodging rate per travel location as determined by the US General Services Administration and found at <http://www.gsa.gov/portal/category/21287>. Employees will not be reimbursed for lodging expenses in excess of those listed on this website.
- Employees must present Tax Exemption form when checking into a hotel.
- Except in special circumstances, the district expects two same sex employees to occupy each room.
- Purchase requisitions will be submitted with the total cost of the lodging. Travel Request forms will include only the individual employees “share” of the lodging cost. For example, when two employees share lodging their Travel Request Form will have half of the cost of that room included on each of their individual Travel Request forms.

MEALS/PER DIEM

- For all travel paid for with STATE or LOCAL FUNDS,
 - The District will pay up to the maximum per diem rate per travel location as determined by the US General Services Administration and found at <http://www.gsa.gov/portal/category/21287>.
 - Per diem may only be claimed for meals the employee is required to provide. For example, if a conference provides a meal as a part of the registration fee and employee may not ask for per diem for that meal.
 - Per diem amounts may be “advanced” to employees,
 - Employees are **not** required to provide receipts for meals.
- For all travel paid for with **FEDERAL FUNDS**,
 - Itemized receipts for meals are required to be submitted for meal reimbursement. Credit card receipts that are not itemized cannot be submitted for reimbursement.
 - Amounts spent for meals is limited by the type of meal. If the guidelines states you may spend \$10 for breakfast and you spend \$11.21, you will only be reimbursed \$10.
 - Because state and federal grants prohibit the use of funds for taxes and/or gratuities, the District will reimburse employees for reasonable expenses incurred for taxes and/or gratuities from local funds. Receipts are required.
 - The District will not reimburse employees for “snacks”.

OTHER EXPENSES

- All other travel expenses must be identified on the Employee Travel Request and may include the following:
 - Parking Expenses,
 - Shuttle,
 - Any travel expense not included in this policy and approved for payment by the CFO.

Non-Allowable Expenses

The following are considered non-allowable expenses:

- Alcoholic beverages,
- Mileage to or from an employee’s home,
- First-class air fare,
- Entertainment, recreation, or social events,
- Any expense for other persons,
- Automobile mileage or taxi fares for other than official business,
- Personal accident insurance or personal effects coverage for rental cars,

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- Incidental expenses for hotel rooms (i.e., in room movies, room service, telephone charges, etc...)
- Snacks whenever requesting reimbursement.

Should an employee choose for personal reasons to travel by a more expensive mode of transportation, seek more expensive lodging, or to exceed approved reimbursement amounts; that additional expense will be paid by the employee or, when using a District charge card, the employee will reimburse the District. If an employee is advanced District funds to travel and does not travel, the employee will provide reimbursement to the District. In the event the employee refuses to reimburse the District for non-allowable expenses, the District will deduct the amount from the employee's salary.

SECTION III - Payroll

- I. REPORTING ABSENCES
- II. SUPPLEMENTAL PAY
- III. TIMESHEET PROCEDURES
- IV. TIME AND EFFORT & SEMI-ANNUAL CERTIFICATION REPORTING
- V. OVERTIME COMPENSATION
- VI. TAXES, TRS, AND OTHER DEDUCTION INFORMATION
- VII. PAYROLL DATES

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REPORTING ABSENCES

All employees must report their absences using the district's web based personnel management system. Discretionary absences are to be submitted through the system and approved by a supervisor prior to taking the absence. District policy also limits the days discretionary absences can be taken. Non-discretionary absences are to be submitted through the system as soon as the employee becomes aware of the absence.

SUPPLEMENTAL PAY

Employees who perform other duties in addition to their regular assignments are paid supplemental pay.

All RYLIE FAMILY FAITH ACADEMIES, INC employees, full-time or part-time, must be paid through Payroll for any type of compensation, EXCEPT reimbursements for travel, fees, dues, etc. If an employee earned wages in a second unrelated job such as judging contests, athletic events and so forth, the compensation will go through Payroll. These payment requests will need to be submitted on a purchase order or timesheet.

All supplemental pay must have some type of documentation to verify the hours worked. Normally, this is in the form of a timesheet. The employee and Supervisor or Principal must also sign the timesheet. STAMPED SIGNATURES WILL NOT BE ACCEPTED. Supplemental pay for administrators requires home office approval.

TIME AND EFFORT & SEMI-ANNUAL CERTIFICATION REPORTING

Campus and central administrators managing grant funds that include paid personnel must keep proper time and effort documentation. The Federal Programs Director (214-381-3226 ext. 109) has the appropriate Time and Effort documentation forms with instructions. For those personnel whose salaries are prorated between or among different funding sources, time and effort records will be maintained that will confirm the services provided within each funding source. RFFA is required to adjust payroll records and expenditures based on this documentation. This requirement applies to all projects, regardless of funding source, unless otherwise specified. For federally funded projects, time and effort records must be in accordance with the requirements in the applicable OMB cost principles.

Full time personnel paid from grant funds are required to have a job description that clearly notes the grant funding. If paid 100% from one grant, the grant funded person must sign a semi-annual statement at the end of each semester that states they are aware of the job description and the grant funding. At the end of each month, these persons are also asked to submit a Time & Effort document confirming that they did in fact perform the job described.

Full time personnel paid from grant funds are required to have a job description that clearly notes the grant funding. If paid less than 100% from a grant with remaining funding for the full time position coming from general operating funds or another grant, the grant funded person must sign a document at the beginning of each year that states they are aware of the job description and the grant funding. The grant funded person must sign a semi-annual statement at the end of each semester that states they are aware of the job description and the grant funding. At the end of each month, these persons are asked to sign a Time & Effort document confirming that they did in fact work this percentage on grant activities.

OVERTIME COMPENSATION

The district compensates overtime for nonexempt employees in accordance with federal wage and hour laws. Only nonexempt employees (hourly employees and paraprofessional employees) are entitled to overtime

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compensation. Nonexempt employees are not authorized to work beyond their normal work schedule without approval from their supervisor. Working unauthorized overtime is subject to disciplinary consequences.

Overtime is legally defined as all hours actually worked in excess of 40 hours in a workweek and is not measured by the day or by the employee's regular work schedule. Nonexempt employees that are paid on a salary basis are paid for a 40-hour workweek and do not earn additional pay unless they work more than 40 hours. For the purpose of calculating overtime, a workweek begins at 12:01 a.m. Sunday and ends at 12:00 a.m. Saturday.

Employees may be compensated for overtime at time-and-a-half rate with compensatory time off (comp time) or direct pay. The following applies to all nonexempt employees:

- Employees can accumulate up to 60 hours of comp time.
- Comp time must be used in the duty year that it is earned.
- Use of comp time may be at the employee's request with supervisor approval, as workload permits, or at the supervisor's direction.
- An employee may be required to use comp time before using available paid leave (e.g., sick, personal, vacation).
- Weekly time records will be maintained on all nonexempt employees for the purpose of wage and salary administration.

Taxes, TRS, and Other Deduction Information

W-4 PROCEDURES

Employees must complete a W-4 form at the beginning of each school year so that the payroll department can withhold the correct federal income tax from wages. Because tax situations may change, a new W-4 form may be necessary. Employees are encouraged to consult a tax advisor with any questions regarding withholding.

A new W-4 form is available through the IRS website (www.irs.gov) or forms are available in the payroll department. A new properly executed form will replace all prior forms received.

EARNED INCOME CREDIT

If you are eligible and want to receive an advanced Earned Income Credit, a W-5 must be completed and forwarded to the payroll department each year.

MEDICARE TAX INFORMATION

Employees hired by RYLIE FAMILY FAITH ACADEMIES, INC after March 31, 1986 are required to contribute 1.45 percent of their gross pay to the Medicare program operated by the Social Security Administration.

TEACHER RETIREMENT (TRS)

Texas public school employees employed in a TRS eligible position must contribute to the TRS system. The total deduction is 7.05 percent of TRS-eligible wages. This deduction consists of a 6.4 percent pre-tax deduction and a .65 percent after-tax deduction for the TRS-Care program.

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Each employee that is participating in the TRS program will receive an annual statement of their account showing all deposits made from September through August. The annual statement is provided from TRS. Please keep your address updated to ensure receipt of your statement. If you have moved, submit your address change to the Payroll Department via fax or email. If you are planning to retire under TRS, you should notify TRS as soon as possible to obtain a retirement packet. You can request this packet and other information from TRS. Contact information for TRS is listed below.

Teacher Retirement System of Texas

1000 Red River Street

Austin, Texas 78701-2698 1-800-223-8778 <http://www.trs.state.tx.us/>

W-2 FORMS

W-2 forms will be sent on or before January 31st each year. It is very important to keep your mailing address updated. If you have moved, contact the Payroll Department with your new address. To replace a lost W-2 form, contact the payroll department.

1099 FORMS

1099 forms for vendors receiving payment of \$600 or more will be processed to recipients no later than January 31st for the preceding year. Form 1096, Annual Summary and Transmittal of U.S. Information Returns, will be mailed to the IRS no later than February 28th of the new year after the preceding tax year.

PAYROLL DATES

Payday is the 25th of each month unless this date falls on a weekend or holiday, in which case payday will fall on the next Monday. Actual pay dates are published annually in the Employee Handbook.

SECTION IV - Forms

- I. PROFESSIONAL SERVICES CONTRACT
- II. COMPENSATION FOR FEES TO BE PAID TO CONTRACTOR
- III. TIME AND EFFORT
- IV. SEMI-ANNUAL CERTIFICATION
- V. W-2 (LINK)
- VI. W-9 (LINK)
- VII. SALES TAX EXEMPTION (LINK)
- VIII. HOTEL SALES TAX EXEMPTION (LINK)

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PROFESSIONAL SERVICES CONTRACT

RYLIE FAMILY FAITH ACADEMIES, INC SCHOOL DISTRICT

Professional Services Contract

This Contract is entered into on this the ____ day of _____, 20__ by and between the RYLIE FAMILY FAITH ACADEMIES, INC SCHOOL DISTRICT, hereinafter referred to as "District" and _____, herein after referred to as "Contractor".

Whereas the District desires to engage the Contractor to provide the following services:

Whereas, Contractor warrants that it is qualified and competent to render the aforesaid services.

Now therefore, for and in consideration of the agreement made, and the payments to be made by District, the parties agree to the following:

1. **Scope of Services:** (Describe Services to be provided and by whom. Attach as Exhibit A the personnel provided for under the agreement and their current resumes.)

2. **District Furnished Services:** District agrees to guarantee access to and make provisions for the Contractor to enter upon District property as required to perform their work and make available pertinent data.

3. **Fees:** The fees for furnishing services under this Contract shall be based on the rate schedule which is attached hereto as Exhibit "B". The fees for services under this Contract shall be due as set forth in Exhibit B within thirty (30) calendar days after receipt by the District of an invoice covering the service(s) rendered, if a valid Purchase Order has been issued for the Contract.

4. **Maximum Cost to the District:** In no event will the costs to the District for the services to be provided, including reimbursable Travel Expenses as defined herein exceed the Maximum Sum as listed in Exhibit B.

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5. **Contract Performance Time and Term of Contract:** All work required by this Contract shall be completed and ready for acceptance by the District no later than _____. The Contract shall commence on issue of Purchase Order and shall terminate on _____.

6. **Relationship of Parties:** Neither this Contract nor services provided for under this Contract shall be construed to create a relationship of employment, agency, partnership or joint venture between Contractor and District. The status of Contractor shall be that of an independent contractor. As such the District cannot nor does it in any way make representations regarding how this agreement may impact TRS benefits or any other retirement benefits the Contractor may be receiving.

7. **Nondiscriminatory Employment:** In connection with the execution of this Contract, the Contractor shall not discriminate on the basis of sex, disability, race, religion, color, age, gender, sexual orientation, and/or national origin in the educational programs or activities which it operates, and it is required by Title IX, Section 504, Title VII, and the Americans with Disabilities Act not to discriminate in such a manner. This policy not to discriminate extends to employment in and admission to such programs and activities.

8. **Termination:** If the Contractor fails to provide the services required under this Contract in any manner, or otherwise fails to comply with the terms of this Contract or violates any policy, regulation or other law which applies to its performance District may terminate this Contract by giving five (5) calendar days written notice. Either party may terminate this Contract for any reason by giving thirty (30) calendar days written notice to the other party. Notice of termination shall be sent by registered mail. In the event of termination not caused by the Contractor, the Contractor shall be paid for services performed to the date of termination in accordance with the terms of this Contract.

9. **Felony Conviction Notice and Criminal Background Check:** Contractor must give notice to the District prior to performing services under this Contract if the person or an owner or operator of the business entity has been convicted of a felony. Contractor will obtain criminal history record information that relates to an employee or agent of the Contractor if the employee or agent has or will have continuing duties related to the contracted services and the duties are performed on school property or any other location where students are regularly present. The Contractor shall certify to the District before beginning work and at no less than an annual basis thereafter that criminal history record information has been obtained. Contractor shall assume all expenses associated with the background checks, and shall immediately remove any employee or agent who was convicted of a felony or misdemeanor involving moral turpitude as defined by District policy, from District property or other locations where students are regularly present. District shall be the final arbiter of what constitutes a "location where students are regularly present."

10. **Amendment:** This Contract may be amended or modified only by written agreement of all parties.

11. **Jurisdiction and Venue:** This Contract shall be construed in accordance with the laws of the State of Texas and the parties agree that venue shall be in Dallas County, Texas.

12. **Indemnification:** CONTRACTOR AGREES TO INDEMNIFY, DEFEND, AND HOLD DISTRICT HARMLESS FROM ANY AND ALL LIABILITIES, WHICH IT MAY INCUR AS A CONSEQUENCE OF THIS CONTRACT AND FROM ANY AND ALL CLAIMS AND LOSSES TO ANYONE WHO MAY BE INJURED OR DAMAGED BY REASON OF CONTRACTOR'S WILLFUL MISCONDUCT OR NEGLIGENT PERFORMANCE OF THIS CONTRACT. DISTRICT DOES NOT WAIVE ANY OF ITS IMMUNITIES FROM LAWSUIT OR DAMAGES OR BOTH, AS PROVIDED BY THE TEXAS TORTS CLAIMS ACT, AS A PUBLIC INSTITUTION, WHETHER GRANTED BY COMMON LAW OR STATUTE AND NOTHING CONTAINED IN THE CONTRACT OR ANY ACTION REQUIRED OF THE DISTRICT BY THE CONTRACT SHALL BE INTERPRETED TO BE SUCH A WAIVER.

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13. **Compliance with Applicable Laws and District Policies:** The Contractor shall comply with any and all federal, state and local laws, and District policies affecting the services covered under this Contract.

14. **Student Confidentiality:** Contractor acknowledges that the District has a legal obligation to maintain the confidentiality and privacy of student records in accordance with applicable laws and regulations, specifically the Family Education Rights and Privacy Act (FERPA). Contractor may be receiving student information in compliance with the requirements and exceptions outlined in FERPA. Contractor acknowledges that it must comply with said law and regulations and safeguard student information. Contractor may not re-disclose the information to a third party without prior written consent from the parent or eligible student. Contractor must destroy any student information received from the District when no longer needed for the purposes listed in this Contract. Contractor will be provided with the following information:

15. **Travel Expenses:** Travel expenses that are reimbursable are limited to those permitted for District employees in accordance with Board Policy and District procedures. All travel expenses shall be invoiced separately to District with supporting paperwork and receipts. Excess or non-eligible travel costs are not reimbursable and will be incurred by the Contractor as an overhead expense.

16. **Conflict of Interest and Business Ethics:** During the course of pursuing contracts, and the course of Contract performance, Contractor and its subcontractors and vendors will maintain business ethical standards aimed at avoiding real or apparent impropriety or conflicts of interest. No substantial gifts, entertainment, payments, loans, or other considerations beyond that which would be collectively categorized as incidental shall be made to any personnel of the District, its trustees, officers, agents, or consultants of the District, or to family members of any of them. At any time Contractor believes there may have been a violation of this obligation, Contractor shall notify the District of the possible violation. Contractor must comply with the requirements of Local Government Code Chapter 176. In witness hereof the parties have executed this Contract on the date first written.

17. **Loss of Funding and Commitment of Current Revenue:** District shall have the continuing right to terminate this Agreement at the end of each fiscal year or end of the special revenue fund or grant during the term of the Agreement with regard to any services to be performed after the end of such fiscal year or end of the special revenue fund or grant, without District incurring any liability to Contractor as result of such termination, including early termination charges. If District terminates this Contract pursuant to this paragraph, Contractor will have the right to collect and retain payment for services rendered to District through termination date but shall not be entitled to any early termination charges.

Termination of the Agreement under this paragraph is to be considered Termination for Non-Appropriation of Funds.

FOR THE DISTRICT

FOR THE CONTRACTOR

Superintendent

Contractor

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Exhibit A – Personnel Provided for this Agreement and Current Resumes

Exhibit B – Compensation or Fees to Be Paid to Contractor

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COMPENSATION FOR FEES TO BE PAID TO CONTRACTOR

Exhibit B

Compensation or Fees to Be Paid to Contractor

Reimbursable travel is subject to approval and verification by the District. All travel expenses shall be itemized and invoiced separately to the District with supporting paperwork. Any and all travel expenses paid to the Contractor shall be included in the total payment to Contractor, unless otherwise specified.

Daily Rate _____ or Hourly Rate: _____

Maximum Days or Hours Required: _____

Compensation:

\$ _____ (for _____ days @ _____ per day or _____ per hour)

Travel Expenses:

\$ _____ (for _____ miles @ 0.585 per mile; lodging _____ @ _____ per night; _____ airfare; _____ meals)

Maximum Sum: (Compensation + Travel Expenses)

\$ _____

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TIME AND EFFORT

Rylie Family Faith Academy

TIME AND EFFORT REPORT

Employee Name:

Position/Title:

Employee Number:

Month/Year:

Sponsored Activities

Daily Activities	Location	Number of Days	Account #	Actual Percent Effort

TOTAL EFFORT

Signatures

I certify that the above information is correct.

Employee: _____

Date: _____

Principal: _____

Date: _____

Federal Programs Director: _____

Date: _____

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TRAVEL REQUEST FORM



2012 – 2013 Employee Travel Request

TRAVEL REQUEST/REIMBURSEMENT FORM						
Employee Name			Campus/Department			
Purpose of Travel			Departure Date and Time		Return Date and Time	
Travel Location (be specific)		Budget Account Code				
Completed by Employee				For Office Use Only		
Estimated Expense			Actual Expense	Paid by School	Advanced to Employee	Reimbursed to Employee
	Registration Fee Name of Conference/Training					
	Travel Expense Airfare, bus fare, taxi, etc...					
	Personal Vehicle Mileage Expense					
	Roundtrip Mileage	Mileage Reimbursement Rate				
	Lodging Hotel:					
	Total Nights	Allowed Lodging Rate				
	Per Diem		Actual Meal Reimbursement Federal grants dictate the District may reimburse employees for ACTUAL meal expenses as reflected on a receipt.			
	Date	Breakfast	Lunch	Dinner	Daily Total	
	Other Travel Expenses Provide a detailed description of other travel expenses including the appropriate documentation.					
	Description	Amount				
	ESTIMATED TOTAL	ACTUAL TOTAL Supported by appropriate receipts				
SIGNATURES REQUIRED BEFORE TRAVEL			SIGNATURES REQUIRED AFTER TRAVEL			
Signature of Employee before travel		Date	Signature of Employee after travel		Date	
Signature of Principal approving travel		Date	Signature of Principal verifying information		Date	
Signature of Superintendent (Required for all out of state travel)		Date	Signature of Home Office		Date	

Revised October 26, 2012

W-2

[W-2 Wage Statement](#)

W-9

[W-9 Tax Payer Identification](#)

SALES TAX EXEMPTION FORM

[Sales Tax Exemption Form](#)

HOTEL SALES TAX EXEMPTION FORM

[Hotel Exemption Form](#)