

Administrators Operating Guide is intended to supplement and define Board policies, serve as administrative regulations and official directives.

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5.1 PETTY CASH/CHANGE FUND - GENERAL POLICIES

Petty Cash

A petty cash account **may** be established for the cash purchase of low cost miscellaneous items and for change making. Approval of a petty cash fund will be made by the Assistant Superintendent of Finance & Operations on a case-by-case basis. If approved, a check will be issued to the person responsible for the petty cash fund. Subsequent replenishments of the petty cash fund will be made to that same person as receipts are submitted on the Non Travel Reimbursement Voucher.

1. A maximum limit shall be as follows:

	OFFICE
High Schools	\$150
Middle Schools	\$100
Elementary Schools	\$ 75
Other Campuses	\$ 75

2. The petty cash is to be kept separated from all daily receipts.
3. No other cash fund is allowed except the change fund.
4. It is the responsibility of the principal or organization manager to exercise the maximum available security over these monies. All petty cash monies should be locked in the school safe overnight.
5. All disbursements will be evidenced by a properly completed Petty Cash Voucher by the employee responsible for the petty cash fund. The voucher can be used for a single or multiple receipts.
6. At all times the authorized amount should be reconcilable for audit purposes.
7. When the activity for the petty cash fund is completed, the remaining funds will be submitted to the Cashier in Financial Services along with any outstanding receipts attached to a completed Petty Cash Voucher. The employee responsible for the fund will be responsible for paying any deficit.
9. Petty cash funds will not be left in a vacant building during summer months.

Creating a Petty Cash Account

Upon receipt of a request from the principal to the Assistant Superintendent of Finance & Operations, an amount not to exceed the above described limits will be authorized.

A District check for the requested amount will be issued in the following style: John Smith, Principal

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5.1 PETTY CASH/CHANGE FUND - GENERAL POLICIES, continued

Disbursements from Petty Cash Account

Disbursements from petty cash shall be limited to **an amount not to exceed cash available**, with the approval of the administrator of the petty cash fund. All disbursements should be evidenced by a Petty Cash Voucher with vendor receipts attached. The Petty Cash Voucher should be completed and approved by the organization manager.

Petty Cash purchases will be periodically audited by the Internal Audit Department to determine that proper procedures are followed in purchasing materials and supplies.

Petty cash may be used for any purchase which would be permissible by use of a Purchase Order. Additionally, petty cash may be used for:

- Picture refunds
- Library refunds
- Lost vending machine money
- Any other refund not requiring Central Office approval

The organization manager should exercise caution to ensure that petty cash expenditures will not overspend budget.

Petty cash may not be used for:

- Fixed assets
- Payroll-type payments
- Unauthorized/inappropriate/extravagant purchases
- Working meals attended by TISD employees inside the District

All employees should utilize a Sales Tax Exemption Form, so the District can avoid paying sales tax on purchases with petty cash. Reimbursements for sales tax will not be made.

Any exceptions to the foregoing guidelines should be approved by the Assistant Superintendent of Finance & Operations.

Petty cash should be replenished only after 50% of the approved amount has been expended.

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5.1 PETTY CASH/CHANGE FUND - GENERAL POLICIES, continued

The Petty Cash Voucher (below) is available from the Financial Services website, Forms & Reports, on Employee Forms.

PAID TO: _____		AMOUNT: **\$ _____	
If more than one receipt, put Various here & list vendors below in Reason section			
BY: _____		DATE: _____	
Printed Name of Employee Responsible for Petty Cash			
		ORGANIZATION: _____	
Are you closing out this Petty Cash Fund? Y ____ N ____ If yes, pay any amount short to the Cashier in Financial Services or to the Campus Accountant.			
Attach invoices and/or receipts to this voucher. If a refund is issued, the person receiving the refund must sign here and documentation of his/her initial payment to the District must be attached.			
Vendor	Reason for purchase/refund		Amount
		Total**	\$
A CASH ON HAND:			\$
B PETTY CASH RECEIPTS SUBMITTED WITH THIS REPORT:		**	\$
C (OVER) / SHORT:			\$
D TOTAL:			\$
Account Code(s) for the attached receipt(s)/invoice(s)			
			\$
			\$
			\$
Total (should agree with Petty Cash Receipts total above):		**	\$
Signature of person responsible for petty cash			
Received by:		Date	
** These 4 totals should agree.			

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5.1 PETTY CASH/CHANGE FUND- GENERAL POLICIES, continued

Change Fund

A change fund may be established for making change for school business purposes or functions only, by submitting an Employee Advance/Reimbursement, requesting the appropriate amount, or, a campus check may be written to the responsible employee. The fund is not to be used for banking functions for school employees.

1. There shall be a maximum limit as follows:

High School	\$100.00
Middle School	\$ 50.00
Elementary	\$ 25.00
2. The change fund is to be kept separate from the petty cash fund.
3. The custodian of the change fund shall be designated by the principal and shall be kept separate from the petty cash fund.
4. At the end of each day, the money should be secured in the school vault or safe. No monies will be left in a vacant building over the summer months.
5. Money from the change fund is assigned to a teacher/sponsor for an event so that change may be made for such things as ticket sales. The teacher/sponsor receives a check made payable to him/her. The teacher/sponsor cashes the check to create the change fund. As soon as the event is over, or sooner if possible, the change fund money should be returned to the campus secretary/accountant. Funds from the change fund should be deposited separately and clearly marked "Return of change fund" on the bank deposit slip.

OR

A change fund is established by issuing a District check to the Change Fund Custodian (typically the accountant at the high school). The Change Fund Custodian checks cash out to teachers/sponsors as needed for school events. Cash is returned to the Change Fund Custodian as soon as possible. A separate receipt book should document all issues and returns of cash for the change fund. It is subject to audit and will be recorded as an imprest cash account on the general ledger.

6. The change fund custodian may exchange the large bills in the cafeteria after lunch is over. Arrangements should be made with the cafeteria manager regarding the appropriate time to do this since it must be before the daily bank deposit is prepared (**Section 5.1**).

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5.2 CHECK REQUEST USAGE

Payment for a service previously performed may be processed by use of a Check Request. Links to directions:

[Check Request Instructions](#) [Invoice/Reference Numbers for Check Requests & Employee Reimbursements](#)

Examples of Check Requests:

Athletic event officiating (unless such officials are assigned through ArbiterSports)
Professional services (Consultants, with a copy of the contract attached)
Subscriptions
Maintenance agreements/software upgrades

A Check Request may also be used to pay for supplies under \$200.00. Payment for these items by Check Request is limited to the following:

- Petty Cash reimbursement
- Vending machine supplies
- Subscriptions
- Food purchases for on-premises consumption
- Approved vendor supplies up to \$200
- Postage (postmaster & mailing services)

Other acceptable uses of a Check Request are:

- Refunds (parking fees, lost textbooks, etc.)
- Yearbooks
- Book fairs & other sales / fund raisers

Multiple Refunds

Occasionally it may be necessary to make multiple refunds due to cancellations of field trips, on overcharges on books or bus transportation. In such cases, a single check may be issued to the activity sponsor, who will distribute the refunds to each student.

The form to use in this case is [Cash Issued to Employee or Student Form](#). Each student will sign a receipt indicating the amount, date, and reason for the refund. That documentation will be forwarded to Financial Services to be filed with the check documentation.

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5.2 CHECK REQUEST USAGE, continued

Unacceptable uses of a Check Request are:

1. Payroll-type payments
2. Fixed assets
3. Unauthorized/inappropriate/extravagant purchases, such as:
 - Gifts, loans, credit or accommodation purchases for district employees
 - Purchases from any District employee
 - Salary or salary supplements to any district employee
 - Articles for personal use of District employees
 - Purchases of alcoholic beverages, controlled substances or firearms

Any exception to these guidelines must be approved by the Assistant Superintendent of Finance & Operations.

Submission Process:

1. Review Check Request Usage (**Section 5.2**) to insure that the bill may be paid via a Check Request.
2. Determine the proper account code.
3. Enter the Check Request in TEAMS, attach all relevant invoices/receipts/documentation.

Contributions

Operating & Campus Activity Fund

Contributions to charitable or other non-profit organizations are prohibited by State law.

Student Activity Fund / Campus Courtesy Fund

Monies collected from or by students, student groups and/or staff will be forwarded to the recipient group after the school deposits any monies to the Student Activity Fund (Fund 865) or Courtesy Account (in Fund 899) and forwards a coded **Direct Pay Request (DPR)** to Financial Services.

Example: American Cancer Society, YMCA, Red Cross

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5.3 EMPLOYEE REIMBURSEMENTS

Directions for Employee Advance/Reimbursements

Invoice/Reference Numbers for Check Requests & Employee Reimbursements

Automobile Mileage Allowance

The district will reimburse approved automobile mileage incurred for use of a private vehicle for district business at a rate not to exceed the rate authorized by the Texas Comptroller of Public Accounts and published in the state travel allowance guide adopted by the comptroller under section 660.021 Government Code as of August 1 preceding the start of the fiscal year of the district. The district will not reimburse at a rate that exceeds the rate allowable by the IRS.

Financial Services will publish the effective mileage rate on the District's website. The rate will be set at whatever is approved by the Texas Comptroller of Public Accounts. If that rate is changed during a fiscal year, the District will adjust its rate accordingly. At no time will the district reimburse approved mileage at a rate that exceeds the rate approved by the Texas Comptroller of Public Accounts or the IRS.

Reimbursements

Checks may be issued to students or employees to reimburse them for personal monies expended for District purposes, provided that proper documentation is submitted in support of the expenditure. This is done by an Employee Advance/Reimbursement Request or Non-Employee Reimbursement Request.

Reimbursements should be kept to a minimum as a safeguard against unauthorized purchases by individuals. Reimbursement guidelines are included in the District's travel and reimbursement guidelines document available on the Financial Services website.

Advance Payments

Advance payment may sometimes be requested for necessary expenses expected to be incurred by athletic teams and other groups engaged in out-of-town travel. Procedures in these cases are as follows:

1. The activity sponsor (coach, club sponsor, etc) shall make a written request for an advance, stating the amount needed and the purpose for which the advance is required.
2. The request for advance payment should be attached to the Employee Advance/Reimbursement Request (EARR) in TEAMS which will route to the principal or department head for approval. The request should stipulate (in the "reason" blank) that the proposed payment is an advance.
3. At the completion of the activity, the sponsor shall bring to Financial Services all invoices, sales slips, etc, supporting the actual amount of expenses and shall return any unused funds, along with a completed travel voucher.

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5.3 EMPLOYEE REIMBURSEMENTS, continued

4. The financial clerk will issue a cash receipt for the money returned, and will cross reference this receipt number to the original disbursement voucher. All supporting documents submitted shall be attached to the original disbursement voucher.
5. The settlement of all advances shall be completed no later than ten days after termination of the activity for which the money was advanced, except in cases deemed unusual or exceptional by the principal. In all cases, settlement must be attained prior to the end of the school year. It is the responsibility of the principal to assure that all advances are properly accounted for.

Working Meals

Reimbursement for a working meal may be processed by the Employee Advance/Reimbursement Request.

It is necessary to include all of the following requirements on an employee voucher form when submitting a DPR (required by the Internal Revenue Service) for a working meal:

1. The amount of each separate meal expense (per occurrence, not per person).
2. The date the meal took place
3. The name of the restaurant (if any), address or location and the type of meal (breakfast, lunch, dinner) if the information is not apparent from the receipt.
4. The reason for the meal or the business benefit gained/expected to be gained, as well as the nature of any business discussion or activity that took place.
Example: Superintendent having a breakfast with PTA Presidents.
The reason could be "to promote goodwill and positive community relations."
5. The occupation of, or other information about the person or persons for whom the meal expense is being claimed. Include name, title, or other designation sufficient to establish the business relationship with you.
Example: Mary Smith, any school PTA President
Jane Doe, other school PTA President

Failure to include the above will result in the reimbursement being denied and returned for correction.

Membership Fees & Dues

District monies, regardless of fund source, may be used for fees and/or dues in the organizations under any of the following conditions:

1. When memberships are institutional in nature
2. When specifically approved by the Superintendent
3. When approved as part of authorized District-related travel
4. When paid by a participant group (Student Activity Fund) for the group's sole benefit
5. Principals are allowed 2 memberships/year. Assistant Principals are allowed 1 membership/year. These memberships must be paid from the campus budgets.

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5.4 CHECKS

All payments shall be made centrally through the District-maintained checking accounts with the exception of petty cash disbursements. No disbursements shall be approved unless sufficient funds are available in the appropriate account.

Payments must always be made to a specific person, company or organization. Checks shall not be made payable to "cash".

Under no circumstances shall checks be pre-signed by an authorized check signer. That is, no signature shall be affixed to a check until all blanks (date, payee and amount) have been completed.

All disbursements from any Fund shall be documented by original invoices, sales slips, or register tapes, and detailed support evidence. Particular attention should be given to checks written to District employees to ensure the expenditures are completely supported and explained. Statements, duplicate invoices, photocopies of invoices and other copies may not be adequate documentation.

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5.4 CHECKS, continued

Cancellation

It will occasionally be necessary to cancel a check:

- which is outstanding for a period in excess of twelve months,
- which has been lost, or
- which has been returned by the payee for some reason.

In such cases, the following procedures shall be employed:

1. When the check is lost or unaccountable, a stop payment order should be issued by Financial Services.
2. Financial Services will void the check. The debiting of the bank account and crediting of the account to which the outstanding check was charged will occur, for checks issued during the current fiscal year. For checks issued in a prior fiscal year, the offset entry will be to Miscellaneous Local Revenue

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5.5 PAYMENTS TO EMPLOYEES

An employee is any individual who performs services subject to the control of the employer - what services shall be performed and how they shall be performed. Whether or not the employer permits the individual considerable freedom of discretion in performing the work is immaterial, as long as the employer has the legal right to control both the method and the result of the services.

If the service or tasks performed are at the general direction of the District, the person is an employee whose earnings are legally subject to federal income tax withholding and possibly teacher retirement contributions. Part-time or temporary status is not a fact in determining if a person is an employee.

Routine Services

Routine scheduled services rendered by an individual are paid through the payroll system. The Human Resources Department is the only office that may authorize employment.

Auxiliary Services

The TISD pays employees for any service rendered in addition to their routine duties **through the payroll system only**. Any such payments will appear on the employee's next regular paycheck as supplement pay and should be submitted on an **Extra Duty Pay form**.

Athletic Events

The event supervisor will submit an **Extra Duty Pay form** for each employee working an athletic event. The employee will receive his/her compensation on the next regular paycheck. The compensation will appear as a supplement and will include all events within the prior payroll reporting period.

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5.6 COMPETITION WITH COMMUNITY BUSINESS

The Tyler Independent School District should not compete with community businesses in the sale of any supplies or equipment, including foodstuffs. Any resale of any item, such as eggs, cheese, fertilizer, soft drinks, light bulbs, or any other supply item purchased by the District is prohibited with the exception of approved fundraising activities.

The only exceptions are for items declared to be surplus or salvage, and disposed of in accordance with Board Policy CI.

Additionally, vendors are prohibited from the presentation of any product (jewelry, clothing, luggage, etc.) without the approval of the Purchasing Department.

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5.7 PROCUREMENT / TRAVEL PROGRAM CARD

Overview

The objective of using the Procurement/Credit Card Program is to provide a convenient and less burdensome method of procuring and paying for low-dollar value goods. Many items that are processed today through invoices would be candidates for the purchasing card with dollar amount limitations. An application for a District Procurement card can be obtained from the Accounts Payable Supervisor. A District Procurement Card is issued to an individual to be used for District business purposes and is held by that individual during his/her employment in the District.

District Travel Cards are for short term use. For certain personnel, a District Travel Card may be issued to provide a convenient way to pay for District business travel during a pre-determined span of time with a predetermined limited amount. Procurement cards will only be issued to those individuals approved by the Assistant Superintendent of Finance & Operations. Travel cards are approved by the Accounts Payable Supervisor.

Security

Use of the purchasing/credit card will be limited by the board policy, the AOG, and applicable Purchasing law.

The cardholder becomes responsible for obtaining receipts, documents and other paperwork and for keeping record of all transactions against the credit card. All transaction documents should be given to the department secretary.

The cardholder shall not attempt to use the purchasing/credit card beyond its expired date and no personal use of the card is permitted.

Purchase Order Not Required

The cardholder will not need to prepare a Purchase Order for purchases where the vendor accepts a purchasing/credit card. The approved supplier is paid immediately. Purchases can only be made from Approved Vendors defined by the Purchasing Department. The Director of Purchasing will review the Procurement Card statement each month.

Billing

The cardholder will receive a copy of his/her charges each month from the Accounts Payable Supervisor. The cardholder and his/her supervisor should promptly check each transaction incurred on the purchasing/credit card and return the billing statement with **all original invoices or cash register receipts** itemizing the purchases to Financial Services.

Both the cardholder and his/her supervisor must sign the Expense Report, indicating agreement and approval of the charges.

Purchasing/credit card charges will be paid from a default budget code provided by the organization. If the code on the Expense Report is not accurate, corrections may be indicated on the report and in TEAMS. However, if another department or campus code is used, that department head or principal must also sign the Expense Report, indicating approval of the charge.

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5.7 PROCUREMENT / TRAVEL PROGRAM CARD, continued

Cardholder Responsibilities

[Procurement Card Policies & Procedures](#) contains essential information for any TISD Procurement Cardholder. It also contains a Cardholder and a Supervisor Acknowledgement form that are signed and submitted to Financial Services when a District Credit card is issued.

For those issued Travel Cards, the [Travel Card Authorization & User Agreement](#) gives the user information about what is required for Travel Card use.

It is the cardholder's responsibility to obtain all receipts or other documents for the purchases made on the credit card. If one loses the card or it is stolen, the Financial Services Office should be called immediately with the proper information:

1. The name of the purchasing/credit card.
2. Date lost/stolen.

Failure to follow these procedures may result in personal financial responsibility or revocation of the purchasing card.

State law pertaining to the use of District Funds applies to the use of District procurement/travel cards.

Any State or District policies being abused will result in termination of the procurement/travel card for the first offense. If the misuse continues the person violating the policy will be terminated.