

Joaquin ISD

Business Office

Finance & Human Resources

Internal Control Procedures

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Introduction:

The purpose of these Internal Controls is to ensure that adequate controls exist in the areas of purchasing, cash management, investments, payroll, personnel, fixed assets, and the other business areas included herein. The Business Office's primary goal is to protect the assets of the district and to ensure that all financial transactions are performed in accordance with generally accepted accounting practices.

Since Joaquin ISD is a small district, the Business Office staff shall perform multiple roles; however, adequate controls of separation of duties shall be maintained at all times. The staff consists of:

- Director of Finance & Business Services
- Human Resources Specialist
- Administrative Services Coordinator/Accounts Payable/Web Administrator

The Business Office staff will work with Campus Secretaries and Campus Attendance/PEIMS Specialists to conduct business transactions of the district.

All Business Department staff are expected to comply with the Code of Ethics and Standard Practices for Texas Educators [Board Policy DH (Exhibit), the Joaquin ISD Employee Handbook, and the Confidentiality and Use of Information Agreement.

Annual Deadlines

- ❑ Business and Payroll Annual Deadlines consisting of daily, weekly, monthly, or yearly deadlines have been established to ensure that we receive documents on a regular, timely basis.
- ❑ Each Business Office staff member shall monitor the submission of required documents [in their respective area of responsibility] by the established deadlines. If a campus/department fails to meet a deadline, an email shall be sent to the originator of the document as a reminder within 5 business days of the missed deadline.
- ❑ If the respective campus/department does not submit the document(s) within 10 business days of the deadline, the Director of Finance shall be notified via email.

Accounts Payable Functions:

- ❑ Accounts payable checks should be processed on the 10th and the last day of each month
- ❑ Payments shall all be documented with approved purchase orders and vendor invoices/statements.
- ❑ Upon receipt of an invoice from a vendor, it should be matched with a pending purchase order [accounts payable copy], and receiving copy [signed by the campus/department].
- ❑ If no discrepancies exist, the check payment should be entered into the finance system.
- ❑ If a discount is offered by the vendor for early payment, the payment should be processed within the allotted time if the goods have been received and their receipt has been verified by the originating campus or department.
- ❑ All invoices should be checked to ensure that appropriate discounts, bid/quote pricing, terms of shipment, tax exemption, and extensions are correct.

- ❑ If a discrepancy exists, the appropriate campus/department or vendor should be notified to reconcile the difference(s)
- ❑ All invoices that do not exceed the purchase order amount by more than 10% [excluding freight charges] may be entered into the finance system for payment without authorization from the Director of Finance.
- ❑ All non-purchase order payments [except for travel documents] should be paid via a payment authorization and approved by the Campus Principal/Department head and the Director of Finance.
- ❑ Recurring invoices such as utilities, monthly rentals, payroll deductions, etc. should be entered into the finance system for payment as noted below:
 - ❑ Utilities: A copy of all utility invoices shall be forwarded to the Director of Finance for approval. After approval, the invoice(s) shall be entered into the finance system.
 - ❑ Copiers: All charges shall be reconciled with meter readings any discrepancies verified.
- ❑ All petty cash reimbursements should be entered into the finance system for payment. Extenuating circumstances or items of non-compliance, if any, should be forwarded to the Director of Finance for review and approval.
- ❑ All travel authorizations and settlements should be forwarded to the Director of Finance for approval.
- ❑ All construction payments to general contractors shall be approved by the Superintendent and the Director of Finance.
- ❑ All invoices or supporting documentation for payments should be stamped “paid” to ensure that duplicate payments do not occur.
- ❑ All payments should be made from original documents to ensure that duplicate payments do not occur. If payment is made from a copy, the copy shall be stamped “original”.
- ❑ All check payments should be posted to the general ledger at the time that the checks are printed.
- ❑ A check payments report should be forwarded to the Director of Finance for review and approval. The check payment report shall be accompanied by all payment documentation in alpha order.
- ❑ The Director of Finance shall approve all check payments.
- ❑ After receiving the approved check payment list, the Accounts Payable Coordinator may proceed with generating the check payments.
- ❑ All checks should be endorsed by the Accounts Payable Coordinator with the encrypted electronic signatures of the Board President and Secretary which are password protected and maintained by the Director of Finance. The depository bank shall be notified via new signature cards when changes occur in the authorized signers.
- ❑ The District issued checks will be endorsed by the Superintendent and the Director of Finance. All signature stamps will be kept in the cash box in the locked vault..
- ❑ The Accounts Payable Coordinator shall verify that all checks have two (2) board signatures prior to releasing the checks to vendors.
- ❑ All “paid” check copies should be filed in alpha order by vendor last name or company name.
- ❑ The Director of Finance shall pre-approve all “emergency” checks.
- ❑ Statements from vendors should be reconciled with check payments on file, discrepancies should be researched and resolved, and reconciled statements should be filed for a period of 60 days, and then discarded after the administrative value (AV) period.
- ❑ All returned purchases should be coordinated by the Accounts Payable Coordinator::
 - ❑ The Purchaser shall notify the vendor for authorization to return goods.
 - ❑ Payment to the vendor for returned purchases should be withheld from the vendor until replacement items are received that are acceptable to the district
 - ❑ All check copies for items returned to the vendor should be kept in a pending file until receipt of the replacement items.
 - ❑ If replacement items are not received within a 60 day period, a demand for a refund should be forwarded to the vendor. The Director of Finance shall be notified if the vendor has not complied with the 60 day timeline.
- ❑ Partial shipments should be monitored to ensure that the full shipment is received within a reasonable time period. Partial payments should not be made unless prior arrangements have been made with the vendor.
- ❑ All purchase order encumbrances should be reduced and/or liquidated when check payments are made for the purchase order.
- ❑ Checks shall not be issued to “Cash” or “Bearer”.

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- ❑ All check stock shall be maintained in a locked cabinet or room and shall be inventoried for the purpose of restocking when less than a two (2) month supply of checks is on hand.
- ❑ At fiscal year-end, the Accounting/Purchasing Specialist shall prepare a report of all Accounts Payables as of August 31st and submit the report to the Executive Director of Finance by September 15th for audit purposes.

Accounts Receivable Functions:

- ❑ The Director of Finance shall track all monies owed to the district, i.e. receivables. Receivables that known and measurable shall be posted to the general ledger by the Director of Finance.
- ❑ Funds due from one district fund to another shall be posted to the appropriate fund and account code as noted below:
 - Due from General Fund 1261
 - Due from Special Revenue Fund 1262
 - Due from Capital Projects Fund 1264
 - Due from Student Activity Fund 1267
- ❑ Funds due to the district from other sources shall be posted to the appropriate fund and account code as noted below:
 - Due from state 1241
 - Due from federal 1242
 - Due from other governments 1243
 - Due from others (parents, vendors, etc.) 1290
- ❑ The SAF/CAF Deposit Request Form shall be utilized by campuses/departments to collect monies owed by parents or students.
- ❑ The Food Service Director shall maintain the list of Accounts Receivable for the Food Service Fund.
- ❑ At the end of each month, the Director of Finance shall reconcile the due to and due from accounts.
- ❑ At the end of the fiscal year, all amounts owed to the district shall be reconciled [as of 8/31/XX] between the general ledger and a detailed spreadsheet as noted above.

Invoices:

- ❑ The Director of Finance shall create invoices, as appropriate.
- ❑ The following information shall be maintained: amount, date of invoice, payee, and date amount received.
- ❑ At fiscal year-end, the Director of Finance shall prepare a report of all Accounts Receivables as of August 31st for audit purposes.

Cash Management & Investments:

Bank Deposits and Cash Balances

- ❑ All cash and checks received from campuses and departments should be counted, receipted, and prepared for bank deposit by the campuses on a SAF/CAF Deposit Request Form or properly noted on the deposit slip for General Fund Deposits. Deposits received from the campuses should be deposited by the Accounts Payable Coordinator on a daily basis.
 - ❑ Deposits which cannot be made on the same day shall be stored in the district's safe or the campus safe until such time as the deposit can be made.
 - ❑ All checks shall be stamped upon receipt for endorsement purposes.
 - ❑ The bank deposit receipt should be forwarded to the HS PEIMS/Attendance Specialist for SAF deposits, the Accounts Payable Coordinator for CAF deposits and the Director of Finance for General Fund Deposit.

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- ❑ All Athletic Gate Receipts should be forwarded to the Human Resources Specialist for deposit on a properly completed Gate Tally sheet.
- ❑ The Food Service Department shall make bank deposits daily and forward the bank deposit receipts to the Director of Finance.
- ❑ All supporting documents for the bank deposits should be forwarded and included with the deposit.
- ❑ Notices of checks which were not deposited due to “insufficient funds” shall be received by and processed by the Director of Finance.
 - ❑ A JV or Cash Receipt Reversal shall be prepared by the Director of Finance and posted to the General Ledger..
- ❑ All cash transfers between cash and investment accounts will be initiated by an investment officer and posted by the Director of Finance.
- ❑ All other cash withdrawals from a bank account such as ACHs or wire transfers including monthly Payroll transfers and Accounts Payable transfers will be initiated by the Director of Finance..
- ❑ All electronic deposits to the bank accounts, such as state aid or impact aid payments, shall be coded by the Director of Finance and posted to the general ledger on a monthly basis..
- ❑ All recurring miscellaneous revenue, such as vending commissions, shall be forwarded to the administration office for receipting and depositing purposes. The Accounts Payable Coordinator and the Director of Finance shall deposit the checks and post the deposits to the general ledger. .
 - ❑ All travel reimbursements to the district shall be submitted to the respective campus by the traveler, and then forwarded by the Accounts Payable Coordinator for receipting and depositing purposes. The Director of Finance shall post the deposits to the general ledger.
- ❑ The Daily High Cash Balance report (spreadsheet) shall be forwarded to the Director of Finance by the bank on a monthly basis with the pledged securities market value report and the Director of Finance shall monitor the cash in bank on a daily basis to not exceed the limits..

Bank Reconciliation:

- ❑ Upon receipt of the monthly bank statements, the bank statements should be delivered to Director of Finance in the original sealed envelopes.
- ❑ The HS PEIMS/Attendance Specialist/SAF Bookkeeper shall reconcile the Student Activity Fund Bank Account and the Director of Finance shall reconcile all other bank accounts with the general ledger.
 - ❑ All deposits should be posted on the general ledger to appropriate revenue accounts
 - ❑ All withdrawals should be on the monthly check register or posted on the general ledger via general journal
 - ❑ All interest earnings should be posted on the general ledger via general journal
- ❑ Endorsements on cleared checks should be checked on a periodic basis or at least for those items that appear suspect.
- ❑ he Accounts Payable Coordinator review and research checks that have remained outstanding for a period of six (6) months If the lost checks are not claimed within twelve (12) months, the outstanding checks should be reversed on the general ledger and voided. The Accounts Payable Coordinator shall prepare a list of the checks for approval by the Executive Director of Finance and posting to the general ledger.
- ❑ The on-line banking system should be utilized on a daily basis by the Director of Finance shall monitor cash flow in and out of the bank accounts.

Investment Functions:

- ❑ The Director of Finance shall review the investment policies and strategies and recommend changes to the School Board on an annual basis. Recommended changes, if any, shall be adopted by the School Board by formal action during a regularly scheduled board meeting.

- ❑ All investment officers shall be designated by the School Board and shall attend the legally required training through an approved source of instruction.
- ❑ The Director of Finance shall prepare all delete, add and/or change forms, obtain the appropriate approval(s), and submit the forms to the respective investment broker/pool.
- ❑ A quarterly investment report should be prepared, signed by all investment officers, and submitted to the School Board for approval.
- ❑ All securities purchased by the district shall be held in the name of the district.
- ❑ Securities shall be purchased only from authorized investment brokers who have completed and filed with the district the appropriate certification and have been authorized by the School Board
- ❑ All investment transactions shall be posted on at least a monthly basis, if possible, or as appropriate upon receipt of the investment statements.
- ❑ All investment statements shall be reconciled to the general ledger on a monthly basis and at fiscal year-end by the Director of Finance.

Fixed Asset Functions:

- ❑ The Technology Coordinator will conduct an inventory at the end of each school year by scanning all existing bar codes and tagging all new assets.
- ❑ The District will contract with an outside fixed asset company to scan and tag all non-technology fixed assets with a unit cost of \$1000 or more.
- ❑ A list of all salvage items shall be submitted to the Superintendent for approval prior to a public sale or auction. The signed list shall be maintained for audit purposes.
- ❑ All fixed assets sold via a public sale, auction, or disposal shall be removed from the fixed assets database.
- ❑ The Director of Finance will record all assets over \$5000 and maintain the list of buildings, vehicles, etc. for Property Insurance Schedules.

Monthly Reconciliation:

- ❑ All equipment with a unit cost over \$5000 (account codes 663X) should be tagged annually and posted to the general ledger. These items are defined as fixed assets for audit purposes.
- ❑ All equipment with a unit cost over \$1000 **and** equipment such as technology equipment should be tagged and posted in the database when purchased..
- ❑ A capital outlay report shall be generated at the end of each fiscal year and presented to the auditor by the Director of Finance
- ❑ The
- ❑ The Director of Finance shall prepare all Application for Vehicle, Title, and License Plate forms for all new vehicles purchased by the district.
 - ❑ The Maintenance Director shall submit the forms to the Shelly County Tax Office for processing.
 - ❑ The Director of Finance shall notify the auto insurance carrier of the new vehicles.
- ❑ All construction expenditures should be recorded on a monthly basis and reconciled to the job.
 - ❑ The total 6629 expenditures should be added to the general ledger.
- ❑ All inventory or fixed asset items purchased with federal grants should be tagged and the appropriate federal grant indicated on the item.
- ❑ The disposal of assets via surplus sales, stolen, or lost assets shall be recorded in the fixed asset database.
- ❑ The inventory and fixed asset schedules maintained in the fixed asset system should be used to purchase property and casualty insurance.

Annual Reconciliation:

- ❑ Annually, by May 15th, a list [sorted by room #] of all inventory and fixed asset items is reconciled by scanning the barcodes.

- ❑ The reconciliation process should be complete by May 31st, and all changes posted on the fixed asset system soon thereafter.
- ❑ All discrepancies and/or missing items should be compiled in a summary report and forwarded to the appropriate campus and/or department administrators.
- ❑ The staff members (teachers) should not be released for the summer until all missing items have been accounted for.
- ❑ A list of all fixed assets (over \$5000 unit cost) should be prepared by September 15th for audit purposes.
- ❑ A list of all construction assets should be prepared by September 15th for audit purposes. The list should include all “construction in-progress” through August 31st, including accounts payables and retainage.
- ❑ The lists should be reconciled with the general ledger and submitted to the Director of Finance.

Fixed Asset Disposal:

- ❑ All efforts will be made to obtain the best return value to Joaquin ISD and consideration will be made to responsible protection of our environment.
- ❑ Joaquin ISD identification will be removed from items as part of the sales process. Any items that might contain data or any association with Joaquin ISD will be cleared or disposed of in a manner that ensures the data is destroyed (example: hard drives will not be sold, but would be destroyed to prevent any possible data recovery).
- ❑ All surplus sales shall be advertised via local newspaper.
- ❑ All items disposed of shall be removed from the FAMP system during the annual inventory.
- ❑ The Director of Finance shall reconcile and deposit all monies collected at the surplus sale.
- ❑ All surplus revenue shall be deposited to a miscellaneous revenue account in the General Fund (199), with the exception of surplus revenue from the sale of Food Service equipment which shall be deposited to the Food Service Fund (240).

General Ledger Maintenance Functions:

- ❑ All general journals and Payroll System general journals shall be approved by the Director of Finance
- ❑ All payroll general journals shall be interfaced to the finance system by the Director of Finance.
- ❑ All changes to the general ledger should be posted within the same month as the changes occurred, if possible, or as soon as practicable.
- ❑ The Director of Finance shall prepare the monthly Financial Report for the school board and print the detailed Check Payments report prepared by the Accounts Payable Coordinator..
- ❑ The Director of Finance shall file all finance reports for audit purposes to include:
 - ❑ Cash Journal
 - ❑ General Journal
 - ❑ Check Payments & Check Register
 - ❑ Detail General Ledger
- ❑ The Director of Finance shall review the General Ledger on a monthly basis to ensure the accuracy of fund accounting.
- ❑ The Director of Finance shall review and approve both PEIMS submissions with budget and actual expenditures data. Corrections, if any, to the general ledger to adhere to PEIMS coding guidelines shall be prepared by the Director of Finance and posted.

Grants and Entitlements:

- ❑ All grant applications shall be prepared by the contracted consultant and approved and submitted by the Superintendent. A copy of all grant applications shall be forwarded to the Director of Finance for accounting and budgeting purposes.
- ❑ All grant awards [including the NOGA] shall be maintained by the Director of Finance.
- ❑ The Director of Finance shall coordinate the budgets with the campus principals to ensure compliance with grant award documents.
- ❑ The Director of Finance shall prepare the grant budget for posting to the general ledger.
- ❑ The Director of Finance and the campus principals shall prepare and submit all grant program reports such as evaluations.
- ❑ Grant reporting timelines shall be monitored by the Director of Finance and all financial reports prepared and submitted via paper form or electronic submission in accordance with grant requirements.
- ❑ The Director of Finance shall establish purchasing deadlines to ensure that all grant purchases and payments are settled prior to the end of the grant period.
- ❑ All grant receipts shall be posted to the general ledger by the Director of Finance.

Payroll Functions:

Salary Calculations:

- ❑ The Director of Finance should determine the placement of newly hired staff on the pay scale and the submit to Superintendent for approval
- ❑ The Human Resources Specialist shall verify the years of experience for pay purposes with the service records and applications.
- ❑ The Director of Finance will calculate the salaries for all employees and prepare the annual set-up for payroll.

Leave Processing:

- ❑ All employees should complete an absent from duty form for all absences. Employees shall be allowed to select the order to use their state and local leave. Unless an employee elects otherwise, the order of use as stated in Board Policy DEC (Local) will be adhered to. Non-exempt staff shall use compensatory time off before any available state or local leave.
- ❑ Upon approval by the campus/department administrator, all absences along with any support documents i.e. jury duty card, doctor's note, needs to be routed to the Payroll Office each Monday morning.
- ❑ Ensure that all absent from duty forms are signed by employee and approval signature of campus/department administrator.
- ❑ Leave information shall be entered by the Human Resources Specialist for all absent forms received on a timely basis.
- ❑ The Human Resources Specialist shall verify all leave transmittals entered into Payroll system is correct before posting to master file.
- ❑ A Leave Status Report shall be filed with the appropriate payroll pay date reports.
- ❑ A Leave Status Report will be provided to the campus/department administrator upon request.
- ❑ Processed absent from duty forms will be filed in the district monthly payroll files..

Direct Deposit:

(Payroll)

- All employees' (including substitutes) payroll wages will be direct deposited by ACH each payday.
- The Director of Finance will ensure that the bank table within the TXEIS system is updated with current information.
- Direct Deposit Forms shall be completed by each employee with their current bank/credit union information and shall be filed in the district direct deposit files. Direct Deposit forms must be signed by the employee.
- The Director of Finance shall prepare the payroll ACH file and upload to the bank.

(Deductions)

- The Human Resources Specialist will enter and reconcile all payroll deductions to be sent by monthly payroll deduction checks.
- A Journal Voucher for the amount of any overages or shortages due to adjustments will be prepared and submitted to the Director of Finance for approval and posting to the general ledger.

Supplemental/Overtime Pay:

- All supplemental payments will be paid from an employee time sheet.
- Campus administrators will complete and approve all employee time sheets. Payment information will include:
 - Employee Name
 - Reason for supplemental pay and amount
 - Date employee worked
 - Amount to be paid
 - Employees signature & date
 - Campus administrator approval & date
- The Director of Finance will enter all budget codes on the time sheets. The Human Resources Specialists will review and enter all overtime and supplemental payments. A summary of overtime and supplemental payments shall be reviewed by the Director of Finance for approval prior before payroll is issued.
- A copy of the supplemental payment form will be filed and the original form will be filed in the monthly payroll files..
- Board approved stipends shall be paid according to the approved stipend schedule monthly salary. The Director of Finance will enter all supplemental stipends paid as one-time payments that are not included in the annual salaries.

Payroll Submission:

- The Human Resources Specialist shall enter all transmittals for payroll processing to include transactions from Time Clock Plus– hours worked, supplemental pay, substitute pay, leave used and update employees' deductions when needed and any comp time earned.
- The Human Resources Specialist shall verify all transactions posted and check all paychecks and submit payroll to Director of Finance for processing..
- Once payroll is submitted for processing, the Director of Finance will check all paycheck amounts then prepare the electronic ACH file at least 2 days before pay date.
- Checklist for Processing a Payroll form will be used during the payroll process and initialed when payroll is complete. This form will be attached to the top of the “verified” Transmittal Reports, Leave Transmittal Reports and the Payroll Control Listing.
- Payroll reports for each payroll processed should be filed for audit purposes to include:
 - Payroll Journal
 - Account Distribution
 - Bank Account Listing
 - Deduction Register Report

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- ❑ Check Register
- ❑ Calendar & School Year to Date Reports
- ❑ Workers Comp Reports
- ❑ Gross Pay/FICA Distribution Reports
- ❑ Leave Days Posted Report
- ❑ 1 set of Employee Wage and Earnings Statement sent electronically via email to each employee and one set filed electronically
- ❑ Report shall be prepared in a PDF format and filed electronically.
- ❑ All reports shall be filed on the Payroll Shared Files folder for access by the Executive Director of Finance and the Human Resources Specialist.

Quarterly/Annual Functions:

- ❑ Quarterly 941 Employer Federal Tax Returns shall be reconciled with the 941 Worksheet Report (TXEIS), EFTPS Payment Worksheet and Payroll Excel File Spreadsheet each quarter.
- ❑ The Director of Finance will complete & sign the 941 Quarterly Tax Return
- ❑ Unemployment Quarterly Reports are processed by the Director of Finance and filed via Internet.
- ❑ Director of Finance shall prepare and process electronic filing of W-2s and send to employees. Employer's copy shall be filed for a period of 5 years.
- ❑ Forms 1095 for ACA shall be prepared by the Human Resources Specialist and forms sent to the employees. The Director of Finance shall prepare the electronic file and submit to the IRS.

Journal Vouchers and Employer Tax Payments:

- ❑ A Payroll General Journal Report shall be created after every payroll and a General Journal Voucher that has been approved by the Director of Finance for posting to the general ledger.
- ❑ Payroll employer taxes will deposited in the EFTPS system by the Director of Finance by the due date and posted to the general ledger. A copy of the General Journal Report, the Journal Voucher and the EFTPS will be filed in the 941 Information Folder and the originals will be filed for audit purposes.

Payroll Deductions:

- ❑ The Human Resources Specialist shall enter the payroll deductions for each employee into the TXEIS payroll system.
- ❑ Reconcile and ensure that all payroll deductions are correct before submission of payroll.
- ❑ Reconcile all payroll deductions to billings
- ❑ The Director of Finance shall prepare the monthly Deduction Checks and reconcile all deductions for the cash transfer and use the deductions entered by Human Resources Specialist
- ❑ Deduction checks with billings to the appropriate vendor upon receipt of the checks will be mailed by the Human Resources Specialist..

TRS Reporting:

- ❑ The Director of Finances shall prepare and submit all TRS reports via the Internet.
- ❑ Before the 6th of each month, the Director of Finance shall prepare the TexNet form and submit via TexNet the amount due to TRS and TRS-ActiveCare Health Insurance.
- ❑ The Director of Finance shall prepare and post TRS general journal to the general ledger.
- ❑ TRS copies of each report submitted to TRS via the internet, TRS Member Detail Data Report, TRS 2 Report, TRS 372 Report, TRS 4 Report, TRS 488 Report, TexNet Form, and the Journal Voucher. These reports will be filed for audit purposes.
- ❑ The Journal Voucher, TexNet Form TRS2 Report, TRS 372 Report, TRS 4 Report and TRS 488 Report will be filed.
- ❑ The Director of Finance shall prepare all TRAQS report submissions.

TRS Retirement Procedures:

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- ❑ The Director of Finance shall meet with the retiring individual to provide guidance as noted below:
 - ❑ The employee should contact the Texas Teacher Retirement System and request a retirement packet. The forms should be completed by the employee and the Notice of Final deposit should be submitted to the Director of Payroll & Benefits.
 - ❑ The employee may bring all of the paperwork with them and meet with the Director of Finance to go over before they submit to TRS.
- ❑ Employees retiring at the end of their work calendar should receive their final pay check and benefits in the month of their retirement date
 - ❑ All other payroll deductions and insurance benefits will end the last day of the month in which you resign.
- ❑ Employees retiring at the end of their work calendar will be subject to payoff dates that are in accordance with normal pay period cycles.

Personnel Functions:

- ❑ A Personnel Checklist – Pre Employment should be utilized to ensure that all staff recommended for employment has passed all pre-employment criteria such as references, fingerprinting, criminal background, certification/licenses [if applicable], prior employment, and nepotism prior to Superintendent and/or Board approval.
- ❑ The HR Specialist shall properly authorize and document all changes in employment to include:
 - ❑ New employees
 - ❑ Terminating employees
 - ❑ Changes in status due to FMLA, Workers Compensation, Temporary Disability, etc.
- ❑ The Superintendent shall approve all changes in salary rates due to promotion, demotion, educational level attained, etc.
- ❑ All new employees shall be entered into the HR system [TXEIS] by the HR Specialists, including but not limited to demographic, certification, contract, experience, and PEIMS data.
- ❑ The Director of Finance shall enter all employee salary information into TXEIS.
- ❑ The HR Specialist shall prepare and maintain an up-to-date employment file for all employees to include:
 - ❑ Application, resume, credentials [transcripts/licenses], etc.
 - ❑ SBEC Certification, if appropriate
 - ❑ Evaluations
 - ❑ Disciplinary actions
 - ❑ Service Records
 - ❑ Job Description
 - ❑ Contracts
- ❑ All changes to the above data shall be entered into the HR system [TXEIS] by the HR Specialist.
- ❑ Separate files should be maintained by the HR Admin. Asst. for the following items:
 - ❑ References
 - ❑ Criminal History verifications
 - ❑ Medical Records, Requests for FMLA, Workers Compensation, and Temporary Disability
 - ❑ I-9 Forms
 - ❑ Alcohol & Drug Testing
- ❑ The HR Specialists should conduct an Exit Interview, or at a minimum collect a completed Exit Form, from all terminating employees

Work Site Posters:

- ❑ On at least an annual basis, the HR Specialist should utilize TASB's Work Site Posting Inventory template to verify that all campuses and departments have posted the state and federal required employment posters.
- ❑ All legally required posters for applicants shall be posted in the Administration workroom, Maintenance Department, Cafeteria and campus workrooms.

Criminal History Record Information Requests (CHRI):

- ❑ An applicant Criminal History Record Information Request form is submitted to the HR Specialist for processing via the TX DPS system.
- ❑ The respective campus submits a form for each parent/community volunteer.
- ❑ The HR Specialist accesses the secure website with the assigned user name and password to submit requests and to retrieve reports.
- ❑ Information retrieved from DPS website is not printed out. The CHRI request form is stamped approved with the date of approval.
- ❑ In the event of criminal history information that is not suitable for employment or volunteerism, the Superintendent is notified. The Superintendent, an authorized user of the DPS website, acts on the information as appropriate.
- ❑ The CHRI request form is retained in accordance with the district's records retention plan.

Purchasing Functions:

Purchase Requisitions

- ❑ The campus secretary/bookkeeper or teacher shall enter the requisition into the TXEIS requisition system.
- ❑ The procedures for electronic purchase orders should be followed.

Purchase Orders (Electronic System – TXEIS)

- ❑ User profiles should be created in the TXEIS system by the Director of Finance, to include clerical, teaching, and administrative staff, as appropriate. The appropriate restrictions to account codes and functions should be established with global access and override functions determined and set-up by the Director of Finance..
- ❑ Approval paths shall be established which will dictate the electronic flow of the purchase order. The Director of Finance shall approve all purchase orders and check the budget codes before submitting to Superintendent for final approval.
- ❑ Any authorized user may create a purchase requisition. Any paper documentation that is related to a purchase requisition should be forwarded separately to the Accounts Payable Coordinator with the requisition number clearly noted on the documentation
- ❑ If a vendor does not exist in the finance system, the Accounts Payable Coordinator should add the vendor with all appropriate information such as: vendor name, SSN or TIN, address, phone, W-9 information, and 1099 eligibility after receipt of the W-9 Form, CIQ and Felony Conviction Form (if appropriate) from the campus. [If a W-9 is not submitted with the purchase order, a form should be mailed or faxed to the vendor. After receipt, the vendor tax information should be entered into the vendor database. Payments for services should not be made until the W-9 is received.]
- ❑ Ensure that item(s) do not exceed bidding and/or quoting thresholds. If quotes were obtained, the quotes should be attached to the purchase order. If bids were obtained, a tabulation sheet should be attached to the purchase order.

- ❑ All purchase orders that exceed \$50,000 individually, or cumulatively must reflect the bid number, purchasing Co-Op contract number, etc. to document that the purchase meets the state purchasing laws.
- ❑ All purchasing contracts, that exceed \$50,000, must be approved by the Board of Trustees. If appropriate, the Director of Finance shall submit an agenda item for the next regularly scheduled meeting to the Superintendent.
- ❑ The approver may approve the entire requisition, or approve/disapprove line items.
- ❑ After the approval of the Accounts Payable Coordinator will print purchase orders and distribute the WHITE copy to the campuses/departments for emailing/faxing/or mailing to vendors.
- ❑ PINK copies of the purchase order will also be distributed to the schools as the receiving copy.
- ❑ Once the merchandise/services are received the PINK copy of the P.O. should be returned to the Accounts Payable Coordinator for payment of the invoice.
- ❑ Throughout the fiscal year and at August 31st, on at least a monthly basis, the physical outstanding purchase orders should be reconciled with an Outstanding Purchase Order report from the finance system.
- ❑ The Accounts Payable Coordinator shall print an Aged PO report on at least a monthly basis. All POs greater than 90 days shall be cleared, as appropriate.

Petty Cash:

- ❑ A District Petty Cash is maintained by the Accounts Payable Coordinator. All campus request for Petty Cash will be issued by TXEIS requisition.
- ❑ The Accounts Payable Coordinator will post all Petty Cash transactions t in the TxEIS system after approval of the Purchase Order..
- ❑ The general ledger should reflect the amount of petty cash on-hand.
- ❑ The Accounts Payable Coordinator verify all Petty Cash Reimbursement Reports as noted below:
 - ❑ All petty cash vouchers shall have an original, detailed receipt signed by the purchaser
 - ❑ An account code shall be recorded on each petty cash voucher
 - ❑ The account code shall be appropriate to the type of expense
 - ❑ All documentation to support the purchase shall be attached to the petty cash voucher
 - ❑ The campus or department administrator signature of approval must be on all petty cash voucher.
- ❑ The petty cash check shall be issued to the appropriate campus or department administrator.
- ❑ At the end of the school term, all campus petty cash accounts shall be closed out and reconciled to the general ledger.

Credit Cards-School VISA & Voyager Cards

- ❑ Use VISA Cards shall be requested by Purchase Order before cards are issued to staff. Fuel Cards will be issued upon approval of school trip.
- ❑ Accounts Payable Coordinator maintains all card in vault and logs all cards issued out.
- ❑ Upon receipt of the VISA account and Voyager Account monthly billing,, the Accounts Payable Coordinator shall reconcile the billing with the Card Transaction Logs and original receipts as noted below:
 - No web purchases
 - No services such as printing, repairs, etc, except for the Maintenance/Transportation Department.
 - No sales tax on purchases. If sales tax was charged in error, the cardholder must deposit the amount of the sales tax to their campus secretary for deposit to the account charged.
 - No snacks or meals without supporting documentation on and Out-Of-District Travel Report or Approved Purchase order for Student Meals
 - Credit card receipts with the detailed purchases noted on the receipt.
 - All non-compliant card expenditures shall be documented and a copy returned to the originating campus/department for immediate correction.

- The Director of Finance shall be notified of all non-compliant Card expenditures.
- ❑ The Accounts Payable Coordinator shall prepare a list of transactions that agrees with the monthly statement and post the transaction for payment in the TxEIS system.
- ❑ All Cards shall be collected and placed in the district vault after each use..

Receiving Functions:

- ❑ The campus secretaries/department heads shall file all receiving PINK copies of purchase orders after they are received from Accounts Payable Coordinator.
- ❑ An Outstanding Requisition Report may be utilized to monitor orders that have not been received and/or approved for release.
- ❑ Upon receipt of a package/box from a vendor, the campus secretaries/departments should inspect the package/box for damage. If damages have occurred, the vendor should be promptly notified.
- ❑ The signed, PINK receiving copy should be forwarded to the Accounts Payable Coordinator for payment to the vendor.
- ❑ At the end of the month, the Accounts Payable Coordinator shall generate and review an Aged Purchase Order report [over 60 days].
- ❑ All orders that have been outstanding for more than 60 days should be researched and cancelled, if appropriate, by the Accounts Payable Coordinator. All order cancellations should be relayed to the campus/department s..

Travel Expenditures

Travel Authorization Forms:

- ❑ All staff wishing to travel away from work shall enter a Absence from Duty Form with details of the request and submit to the campus principal/department head.
- ❑ Once the absence for school business is approved, staff shall enter a requisition for all travel expenses except employee meals including any workshop/conference/hotel expenditures./student travel expenses.
- ❑ Upon Purchase Order is approved by the Superintendent, a school vehicle shall be requested through the on-line transportation request system..
- ❑ No school credit cards will be issued without and approved Purchase Order..
- ❑ The Accounting/Purchasing Specialist shall match the travel authorization form with the on-line requisition(s) submitted for the various vendors, i.e. traveler, registration fees, field trip entry fees, lodging, etc.
- ❑ An Out-of-District Travel report shall be submitted after the trip with original receipts attached as well as the PINK copy of any Purchase Orders. Meals will be reimbursed for the amount of actual receipts and only up to the daily allowable amount. The Director of Finance will apply the budget code and submit to Superintendent for approval. The Accounts Payable Coordinator will issue the reimbursement check at the next scheduled check payment run.
- ❑ No advance checks for travel will be issued except for student fee and meal for student trips..

Vendor Maintenance:

- ❑ All vendors shall be approved for addition to the vendor database in TxEIS. The Accounts Payable Coordinator shall verify that all required vendor documents are on file prior to adding the vendor on the vendor database. The required vendor documents include:
 - ❑ W-9 Form (signed and fully completed)
 - ❑ Conflict of Interest Questionnaire (signed and fully completed)
 - ❑ Felony Conviction Notice (signed and fully completed)
- ❑ The Accounts Payable Coordinator shall enter, but not be limited to:
 - ❑ Vendor name (as it appears on the W9 Form)
 - ❑ Vendor address under order address. If a different address is provided for remittances, that address shall be enter, too
 - ❑ EIN/SSN (as it appears on the W9 Form)
 - ❑ Flags: 1099 Eligible, Bid Eligible, Local Vendor (if address is in San Antonio), and Minority Owned (if documentation has been received from vendor)
 - ❑ W9 Date: date the W9 Form was mailed and received
 - ❑ Local Use: Field 1 shall be used to denote a special type of vendor such as: Employee, Parent, Student, School, Corporation, etc.
 - ❑ Local Use: Field 2 shall be used to denote that the Felony Conviction Notice has been received from the vendor.
 - ❑ CIQ: indicate if the CIQ was received and enter the date of receipt.
 - ❑ Comments: Enter any other related information such as change in vendor name.

Additional guidelines due to requirements of SAS 99 – Anti-fraud

Confidentiality

- ❑ Business department staff handles and/or processes a substantial amount of confidential information. All staff is strictly prohibited from revealing confidential information to an unauthorized individual. Among the most critical information is documentation related to employee’s health, benefits, financial, family members, or other personal information.
- ❑ All Business division staff members must execute a Confidentiality and Use of Information Agreement and submit to the Director of Finance.
- ❑ Violators will be disciplined, may be terminated and may be reported to the appropriate authorities.

Consequences for Inappropriate Behavior (zero tolerance)

- ❑ Dishonest actions will not be tolerated
- ❑ Violators will be disciplined, may be terminated and may be reported to the appropriate authorities

Notification/Communication of fraudulent activities:

- ❑ We all have a duty to report certain matters such as theft, fraud, and dishonest in the workplace.
- ❑ Actual or suspected fraud should be reported to the Director of Finance.
- ❑ Any and all concerns about potential fraudulent activities should be reported to the Director of Finance.

Training:

- ❑ Every staff member will be scheduled to attend at least one training and/or conference opportunity per year.
- ❑ Staff members that have attained TASBO certification status will be afforded an opportunity to attend at least 20 hours per year (for a total of 60 every 3 years) through an approved CEU provider.
- ❑ Additional training requests should be submitted to the Executive Director of Finance. It is the employee's responsibility to request additional training that he/she feels will be beneficial in performing the assigned job tasks.

Records Management & Security of Data

- ❑ All finance records are the property of Joaquin ISD and should be maintained in accordance with the established Records Retention Schedule
- ❑ TXEIS system backups should be performed on a regular basis in accordance with established guidelines
- ❑ No district records and/or data backups shall be destroyed, removed from the district, or shared with any individuals outside the business department without appropriate authorizations.

Suggestions for Improvement:

- ❑ Suggestions to improve business operations and/or internal controls are welcome and encouraged
- ❑ Submit any suggestions to the Director of Finance

