HAZLEHURST CITY SCHOOL DISTRICT

BUSINESS OFFFICE

ACCOUNTING MANUAL

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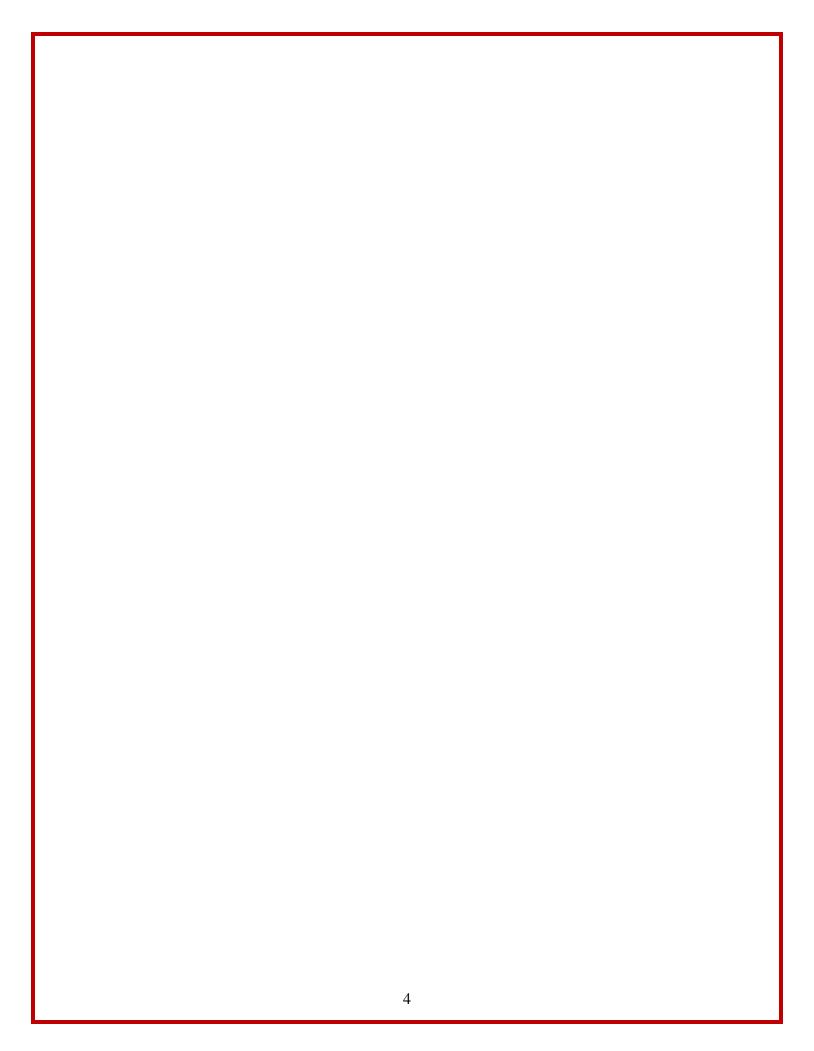**Mrs. Melissa Hall,** *Office Manager*

PURPOSE

The purpose of this manual is to provide a better understanding of the district business operations as well as the policies, procedures, and requirements for all operations. See attachments for forms and relevant documents referenced throughout this manual.

The Business Office is consistently striving to improve current fiscal policies and procedures. Information provided in this manual is reviewed and revised annually; therefore, some procedures, forms, etc. may become obsolete as new procedures or systems are put into place. As new policies and procedures are established or changed, the Business Office will notify responsible staff of such as it occurs.

Although this manual describes certain processes and procedures set forth, the Business Office staff is available to answer questions or clarify procedures that may not be clear.

TABLE OF CONTENTS

ACCOUNT CODING

DESCRIPTION

Every school district in the state of Mississippi must use an accounting code for each financial transaction. The accounting code is prescribed by the Mississippi Department of Education.

The accounting code is designed to provide a way for school districts to effectively manage their finances. The use of the prescribed accounting code also provides the Mississippi Department of Education, as well as other state agencies and the Legislature, the ability to gather and report information in a manner common and consistent to all school districts. Therefore, it is very important that the correct accounting code is used with each financial transaction.

The accounting code consists of 19 digits aligned in the format of xxxx-xxx-xxxx-xxx-xxx-xx. The format consists of the following codes and descriptions.

XXXX	**Fund Number**	**There are approximately 20 funds in the district.**
XXX	**General Ledger Code**	**This code represents an asset, liability, revenue code (800) or expenditure code (900).**
XXXX	**Function Code**	**This code represents either revenue or an expenditure function.**
XXX	**Program Code**	**Optional code (used very seldom by the district)**
XXX	**Object Code**	**This code is used with expenditures and indicates the purpose of the expenditure.**
XX	**Location Code**	**This code represents the school location.**

Listed in the following sections are the accounting codes that the Hazlehurst City School District uses for most transactions.

FUND NUMBER CODE

The first element of the account code is the fund number code. This code is the four digit code that begins the budget string.

1120	District Maintenance
1130	Special Education – State
1140	Alternative Education
1145	At-Risk
1151	Athletic Activity
1152	Middle School Activity
1153	High School Activity
1154	Elementary Activity
1840	16th Section Interest
1909	Sanderson Grant PBIS
1915	District Enhancements
2090	Extended School Year
2110	Child Nutrition
2211	Title 1
2213	T1- School Improvement
2511	Title II – Teacher Recruitment
2610	IDEA-Part B
2620	Preschool
2711	Vocational Education - Basic

2814	Title X - Homeless
2901	JROTC
2920	State Nursing Grant

GENERAL LEDGER CODE

The second element of the account code is the balance sheet or the general ledger code. This code is the three digit code that follows the fund code. The balance sheet code represents assets, liabilities or fund equity. The general ledger code represents revenues (800) or expenditures (900). The general ledger codes that the district uses for most transactions are as follows:

CODE	DESCRIPTION
101	Cash (asset)
105	Petty cash (asset)
436	Due to Student Clubs (liability)
800	Revenues
900	Expenditures

FUNCTION CODE

The third element of the account code is the function code. This code is a four digit code and may be a revenue function or an expenditure function. The revenue codes that the district uses for most transactions are as follows:

REVENUE CODE	DESCRIPTION
1711	Admissions
1791	Other Student Activity Revenue
1920	Contributions and Donations
6720	Transfer In
Note: If a revenue code above does not apply to a specific revenue item, please contact the business manager as there are many additional codes that may be used.	

The expenditure codes that the district uses for most transactions are as follows:

EXPENDITURE CODE	DESCRIPTION
1105	Pre-Kindergarten Programs
1110	Kindergarten Programs
1120	Elementary Programs
1130	Middle School Programs
1140	High School Programs
1142	Vocational Programs
1220	Special Education Programs
1230	Alternative School Programs
1260	Special Programs – After School
1290	Other Special Programs
1910	Athletic Activities
1920	Student Activities
2110	Attendance Services (Data Management)
2120	Guidance Services (Counseling)
2130	Health Services (Nursing)
2140	Psychological Services (Testing)
2150	Speech Pathology Services
2210	Instruction Improvement Services (Staff Development)
2220	Education Media Services (Library)
2290	Other Instructional Staff Services

EXPENDITURE CODE	DESCRIPTION
2330	Special Area Administration Services
2410	Office of the Principal Services
2510	Fiscal Services (Accounting)
2520	Purchasing Services
2620	Operating Building Services
2630	Care and Upkeep of Grounds Services
2660	Security Services
2690	Other Maintenance of Plant Services
2720	Vehicle Operation Services (Transportation)
2730	Bus Monitoring Services
2820	Information Services (Public Information)
2830	Staff Services (Human Resources)
2840	Data Processing Services (ITD)
3100	Food Service Operations
3900	Other Non-instructional Services (Frontiers)
7110	Indirect Cost Transfers Out
7120	Other Transfers Out
Note: If an expenditure code above does not apply to a specific expenditure, please contact the business manager as there are additional codes that may be used.	

PROGRAM CODE

The fourth element of the account code is the program code. This code is an optional code and is currently not used by the district except in a few instances as determined by the business manager. For the federal funds, it is used to indicate the year of the project.

OBJECT CODE

The fifth element of the account code is the object code. The district currently does not use object codes for revenues. However, expenditure object codes are required with each expenditure function. The object code should be assigned based on the description that best fits the item or service being purchased. The expenditure object codes that the district uses for most transactions are as follows:

OBJECT CODE	DESCRIPTION
111	Certified Salaries
112	Aides' Salaries
113	Noncertified Salaries
114 to 119	Other Salaries
121	Substitutes
122	Part-time Personnel
131	Overtime Wages
151	Compensated Absences Payments
210	Group Health Insurance
215	Group Life Insurance
220	Matching FICA
230	Matching Retirement
240	Unemployment Compensation
260	Workers' Compensation
320	Professional Services
330	Other Professional Services
340	Technical Services

OBJECT CODE	DESCRIPTION
345	Ball Officials
411	Water
412	Electricity
413	Natural Gas
414	Telephone
420	Cleaning Services
430	Repairs & Maintenance
440	Rentals
450	Construction Services
490	Other Purchased Property Services
510	Student Transportation Services
520	Insurance
530	Postage
540	Advertising
550	Printing and Binding
560	Tuition
580	Travel
590	Miscellaneous Purchased Services
610	Supplies
611	Software
622	Tires & Tubes

OBJECT CODE	DESCRIPTION
623	Repair Parts
624	Uniforms
631	Gasoline
633	Lubricants
641	Purchased Food
642	Donated Commodities
643	Food Production Supplies
651	Textbooks
652	Books & Periodicals
660	Resale Items
710	Land
721	Buildings < $50,000
725	Buildings > $50,000
728	Building Improvements < $25,000
729	Building Improvements > $25,000
731	Computer Equipment < $5,000
733	Computer Equipment > $5,000
735	Other Equipment < $5,000
737	Other Equipment > $5,000
751	Other Improvements < $25,000
753	Other Improvements > $25,000

OBJECT CODE	DESCRIPTION
771	Cars & Trucks < $5,000
772	Cars & Trucks > $5,000
773	Buses < $5,000
774	Buses > $5,000
775	Other Mobile Equipment < $5,000
776	Other Mobile Equipment > $5,000
810	Dues & Fees
830	Interest
840	Redemption of Principal
890	Miscellaneous Expenditures
Note: If an object code above does not apply to a specific expenditure, please contact the business manager as there are additional codes that may be used.	

LOCATION CODE

The sixth element of the account code is the department code. This code represents the school or the location. This code is only used with expenditures. The department codes are as follows:

LOCATION CODE	DESCRIPTION
001	Hazlehurst Central Office
004	Hazlehurst Middle School
008	Hazlehurst High School
016	Hazlehurst Elementary School

PURCHASING / ACCOUNTS PAYABLE

DESCRIPTION

One of the most important aspects of controls over expenditures is an efficient and effective system of purchasing. The objectives of an effective purchasing system are to buy materials, supplies, commodities and services that are of the right quality, quantity, price, and from the right source with delivery being at the right place. These objectives should be accomplished in accordance with applicable state and federal purchasing laws and in accordance with the district's purchasing policies. The Hazlehurst City School District has established a purchasing system which meets these objectives.

The district's purchasing system includes the following documentation:

1. **Purchase requisitions** – Documents completed and approved by management personnel requesting the issuance of a purchase order for the purchase of goods or services. Requisitions are keyed in electronically throughout Remote Link. All requisition must be signed and sent to the Business. The Business Manager will approve all requisition electronically through Remote Link.

2. **Purchase orders** – Documents authorizing the delivery of specified merchandise or the rendering of certain services and the making of a charge for them. The purchase order gives the vendor authority to ship the requested items and binds the district for payment. Acceptance of a purchase order by the vendor establishes a legally binding contract. All purchase orders will be issue from the Business Office.

3. **Documentation of receiving goods or services** – Indication of an individual's signature and the date of the receipt on the invoice to verify the fact that the items ordered were actually received. The district has a centralized purchasing system. All items and/or goods MUST be sent to the Central Office (119 Robert McDaniel Blvd. Hazlehurst, MS 39083).

4. **An invoice or other supporting documentation** – In order for a payment to be made for a purchase, the district must have an invoice or other supporting documentation from the vendor.

REQUISITIONS

Requisitions should be keyed by a bookkeeper at the school or department. After keying in a requisition, it is electronically submitted to the supervisor. After the supervisor electronically approves the requisition, it is submitted up the line of authority (as established by the business manager) until it reaches the accounts payable department.

A description of the item(s) being purchased must be keyed on the requisition screen. Other items that must be listed on the requisition (if applicable) include:

- Single source number
- State contract number

- Express Products List (EPL) number (in reference to computer equipment)
- Reference to "quotes attached" (the quotes must also be attached to the purchase order when it is submitted for payment)
- Indication of emergency approval by Tony Foster and date

Items that must be electronically attached as an attachment include:

- Quotes (for purchases of more than $5,000)
- EPL number
- Book lists for federal funds or textbooks

Once a requisition is submitted electronically to the business office, the requisition will be reviewed for accuracy and compliance with applicable purchasing laws. If requisition is acceptable, it is submitted to the business manager. Once the business manager approves it, a purchase order is printed.

Please allow up to 3 days for processing of all purchase requisitions

EMERGENCY REQUISITIONS

If an emergency exists, you may key a requisition into the system to obtain a requisition number. You must then immediately notify Tony Foster (Business Manager) by email or telephone call of the emergency and the requisition number. He must approve the emergency requisition number before you may contact the vendor. The vendor will use this requisition number as a reference number in order to begin providing emergency services to the district. When you key the requisition, you must indicate "emergency approval per Tony Foster" and the date of the approval in the description field.

TRAVEL REQUISITIONS

Travel requisitions may not be submitted electronically. An original travel reimbursement requisition ("travel authorization") must be submitted to the business office. This form must be approved by the principal or department head and is sent to the central office for approval of the Superintendent. The business manager will approve the travel requisition; it is keyed by the accounts payable department.

Travel advances may only be obtained for out of state travel and must be requested on a "Request for Travel Advance." Once the travel is completed, a travel reimbursement requisition reconciling the travel advance to the actual travel expenditures must be completed within 15 working days from the return date of the trip.

EQUIPMENT REQUISITIONS

When furniture and/or equipment items with a cost of $1,000.00 or more or walkable items (see attached listing) are purchased, the object code should be "700 ranges". These items are considered fixed assets and should be place on the district inventory. The requisition form

must identify the school, location, individual and room number that the item is being purchased for. Any requisition omitting this information will be returned for correction.

PURCHASES FROM SPECIAL PROJECTS

When purchases are made from federal funds after approval by the principal, should be submitted directly to the Director of Special Programs for the issuance of a purchase requisition. When items are received, packing slips and invoices should also be submitted to the Project Director. Additional federal requirements applicable to purchasing, contracts and inventory will be met by the district.

Federal Purchasing that involve and expenditure of more than Three Thousand and Five hundred dollars ($3,500), exclusive of freight and shipping charges, may be made from the lowest and best quote without publishing or posting advertisement for bids provided at least two written competitive quotes have been obtained. Quotes must be on company letterhead, signed, and dated.

BACKORDERS

The school district does not accept backorders. It will be the responsibility of the originator of the purchase to issue a new requisition and reorder any items out of stock.

AGREEMENTS

All contractual agreements must be approved by the school board. All contractual agreements must include terms stating that the Hazlehurst City School District reserves the right to terminate the contract, as well as, the other party with a written 30-day notice. Please complete the Contractual Agreement Form and submit to the Business Office before the services begin.

PURCHASE ORDERS

After a requisition has been approved, you will receive a copy of the purchase order:

Once you have received the purchase order from the business office, you may order the goods or services. The purchase order is the document that legally authorizes the purchase of the goods or services. If a purchase order has not been issued, you may not order or purchase the goods or services. A purchase order should not be prepared after the goods or services have been received and invoiced.

The principal or director must sign **(no stamped signatures)** the completed purchase order to verify that the purchase order is ready for payment. Purchase orders should not be signed until the goods or services have been received and invoiced.

If the purchase order has an increase in amount for any reason, the purchase order must be returned to the business manager for his approval. This rule does not apply to utilities.

PAYMENT OF INVOICE

Once an invoice has been received and verified, the invoice amount, invoice number and invoice date must be written on the front of the purchase order. The purchase order and the invoice and any other supporting documentation must be stapled together in the following order:

1. **Original** invoice (with documentation of receipt of goods)
2. Other supporting documentation such as quotes, lists, etc.
3. Remittance documents (attached with paper clip)
4. Fixed asset form if fixed asset is purchased (attached with paper clip)

Completed purchase orders should be sent to the accounts payable department for payment as soon as they are ready for payment. **Please do not hold your completed purchase orders until the end of the month.** Invoices should be matched on a daily basis with purchase orders in order to pay them in a timely manner

TIMELY PAYMENTS TO VENDORS

If payment of an invoice is not mailed or otherwise delivered within forty-five (45) days after the receipt of the invoice, and approval of the goods and services, the district shall be liable to the vendor, in addition to the amount of the invoice, for interest at a rate of one and one-half percent (1 1/2%) per month until the check is mailed or otherwise delivered. (MS Code§ 31-7-301(et. seq)

VENDORS

To add a new vendor, you must first obtain a W-9 form for any vendor that is not a HCSD employee. A vendor number will not be assigned until a W-9 form is received. Please contact Accounts Payable for a "New Vendor Packet"

BUDGET AMENDMENT

The Remote Link will allow a requisition to be processed only if there are sufficient funds available in the budget account. If there are not enough monies in a budget account, you will need to electronically enter a budget transfer. You will electronically submit the budget transfer up the line of authority (as established by the business manager) until it reaches the business manager, at which time it will be approved and submitted in the system.

Budget amendments must be entered through Remote Link. Please print and send budget amendment request to the central office. You will be notified once the request has been approved or denied.

MISCELLANEOUS

All purchases of computer equipment must go through the Technology Department. Requisitions for computer equipment must be approved by the Technology Department before a purchase order may be issued.

If a fixed asset is purchased, a fixed asset acquisition form must be attached to the completed purchase order when submitting it for payment. Attach the form to the back of the completed purchase requisition with a paper clip. If the form is not attached, the purchase order is considered incomplete and will be returned to your school or department. Incomplete purchase orders will not be accepted.

Every effort should be made to make sure all invoices dated in May and June are paid in June of the current fiscal year. In order for bills to be paid in the current fiscal year, the completed purchase requistion must be submitted for payment by the second Wednesday of June (see "Accounting Calendar" for exact date). Because of potential delays in shipping, equipment purchases after May are discouraged.

PAYROLL

DESCRIPTION

Payroll and the related employee benefits (FICA tax, retirement contributions, group health insurance and group life insurance paid by the district) account for approximately 75% of the district's total budget. There are many federal laws as well as state laws that apply to payroll which require wages to be paid accurately and timely. Because payroll must be 100% accurate and must be paid on pay day (not the day after), it is imperative that accurate payroll information is submitted to the payroll department on a timely basis.

The major concepts related to payroll include:

- Before an employee may be paid, he/she must be approved by the school board.
- An employee must be paid for all time worked.
- An employee may not be paid for days or time not worked.

NEW EMPLOYEES

New employees must come to the district office with their completed paperwork for processing, fingerprinting, obtaining their ID badge and enrolling in the timekeeping system. The process may require 30 minutes or more depending on the completeness of the paperwork.

A new employee **must** be approved by the school board before he/she may be paid. The school board meets on the third Wednesday of each month. An employee's paperwork must be submitted to the human resources department according to their cutoff schedule.

New employees recommended for 80 hours or more per month and all full-time bus drivers and monitors must complete a health insurance enrollment form and a life insurance form. The forms should be attached to the "Personnel Recommendation" form. If the new employee does not want health insurance and/or life insurance, he/she must sign the waiver on the back of the correlating form.

All employees must complete forms for the Public Employees' Retirement System (PERS). The forms are:

1. All new employees who work 80 hours or more per month must complete a PERS Enrollment Form (Form 1) and a PERS Beneficiary Nomination Form (Form 1B).

2. All new employees who work less than 80 hours per month must complete a PERS Non-covered Employment Acknowledgement Form (Form 4A).

3. All employees must sign a "Declaration of Retirement Status Form."

MONTHLY PROCESSING - WRITTEN TIME SHEETS

Time sheets and absence reports must be turned in according to the **"Accounting Calendar"**. If you become aware of time turned in incorrectly, notify the payroll department immediately.

Written time sheets must be properly prepared. This includes:
1. Time worked should be indicated.
2. There should be weekly and monthly totals.
3. Employee must sign.
4. Principal or supervisor must approve with his/her signature. (No signature stamps)
5. If employee has more than one job with HCSD (except certified employees), a special multi-job time sheet **must** be prepared.
6. Account number the employee is to be paid from **must** be listed on time sheet.

The bus driver reconciliation must be prepared, balanced and submitted to the payroll department on a monthly basis according to cutoff schedule.

Field trip bus drivers will be paid through payroll. Complete the "Summary of Bus Driver Time for Field Trips." Attach the original completed trip ticket to the summary. Use the payroll pay period dates for submitting this report with your monthly payroll documentation.

MONTHLY PROCESSING - REPORT OF ABSENCES

Reporting absences correctly is a critical function of the payroll process. Each absence of every employee must be submitted to the payroll department. If absences are not reported, the employee's leave balances are overstated which means the employee has stolen from the district. Furthermore, each employee's leave balance affects their retirement benefits at retirement. Not reporting leave may give retirement credit to an employee which is not justified.

Be sure and select proper absence code when keying in absences into Remote Link. Absence codes are:

1	Sick
2	Family Sickness
3	Personal
4	Professional Development (School Related Absence)
5	Jury Dury (must attach documentation)
6	Bereavement (Must attach note indicating relationship to employee)
7	Vacation (only 12 month employees)
8	Unpaid Leave
9	Comp

All certified employees will report their absences through the Active Resources. . Bookkeepers will key absences through the Remote Link and will submit them every Monday no later than 10 am. The Bookkeeper will also print a summary report and reconcile the leave before forwarding the paperwork to the Business Office.

You may key in teacher absences daily. It is highly recommended that you key in absences at least once weekly.

Balance your monthly report to the teacher sign-in sheet, sub sign-in sheet and to the Remote Link report.

Once everything is verified and 100% correct, you will print out reports from Remote Link, and have the principal sign both reports. Once the principal has signed all reports and you have double checked everything, then you may submit the reports. Once the reports are submitted, you cannot make any corrections nor print the reports. If you have submitted a report and you realize a mistake was made, you will need to send Payroll Specialist a letter on letterhead signed by the principal indicating the correction which needs to be made.

NOTES RELATING TO Remote Link:

1. The Payroll Specialist will delete absences from Active Resources if an absence has already been confirmed by the teacher. The teacher will need to write a letter on letterhead with explanation. This letter will need to be signed by the principal and the teacher and sent to the Payroll Department. Once the letter is received then the absence will be deleted and the teacher will need to re-submit absence through Active Resources.

2. If error is caught before teacher confirms the absence, then the teacher will need to delete the absence and resubmit it in Active Resources.

OVERTIME

Overtime must be approved by the Superintendent. The approved form must be submitted to the payroll department in order to record overtime hours.

ADDITIONAL COMPENSATION (Stipends, After School Pay, Etc.)

To be reimbursed for stipends, submit a listing of the employees to be paid, the purpose of the stipend, amount to be paid, dates the stipends were earned, and the account code to be charged. All others that are paid based on a rate, submit time sheets reflecting the date/s worked, time in and time out, the account code to be charged, and the signature of the employee and supervisor

PAYROLL CHANGES

All changes (demographics, deductions, direct deposits, etc.) must be submitted to the Payroll office by the 15th of the each month.

ACTIVE RESOURCES

All check stubs, leave records and W2 information will be available on Active Resources. The payroll department will no longer mail or send any of this information through school mail. Below are the instructions for utilizing this Active Resources.

1. Go to the district webpage
2. Select Active Resources (to left)
3. Create/Log into your account

PERSONAL LEAVE

All certified instructional employees receive two (2) days of personal leave at the beginning of each school year (Policy GCCAB). If the personal leave is not used during the fiscal year, it is carried over to the next year. Personal leave may be banked from year to year up to five days. Available leave in excess of five days will be credited as sick leave for the following school year.

VACATION LEAVE

All twelve-month personnel receive ten (10) days vacation leave to be taken from July 1 through June 30. Vacation days earned in the previous fiscal year and not used by June 30 of the current fiscal year shall be converted to sick days.

All non-certified personnel who work less than twelve months do not have vacation leave.

SICK LEAVE

Full-time certified and classified (exempt from Wage and Hour laws) administrative personnel shall earn paid sick leave as follows (Policy GCCAA and GDCAA):

9 month employees	7 days
10 month employees	7 days
11 month employees	7 days
12 month employees	7 days

Full-time classified (not exempt from Wage and Hour laws) personnel shall earn paid sick leave as follows (Policy GDCA):

9 month teacher assistants	56 hours
9 month employees	56 hours
10 month employees	56 hours
11 month employees	56 hours
12 month employees	56 hours

Unused sick leave is carried forward to the next fiscal year. At retirement, unused sick days may be used as additional service credit.

FMLA

The Family Medical Leave Act (FMLA) allows an employee twelve work weeks (60 work days) during any twelve month period for certain medical leave. This leave is to be used concurrently with their paid leave. Advance notice or notice within one or two days of the FMLA leave must be submitted to the human resources department. Board Policies GCCC and GDCC address FMLA and its requirements. Please contact the human resources department for more information.

RESIGNATIONS

If a person resigns, a resignation form must be completed the same day. As soon as you complete the form, send it to the Human Resources department. Please call or email the Payroll department and let them know the resignation is being sent to the Human Resources department. By promptly notifying the Human Resources department and the Payroll department, overpayments to employees and to insurance companies will be avoided.

If an employee is resigning by the end of the month, all absences need to be reported to the Payroll department. If you have already turned in your report for that month, call the Payroll department immediately.

MISCELLANEOUS

As required by State Law, all employees will be paid by direct deposit.

Salaries shall not be paid from activity funds.

The district may only pay the **actual** person who works. The district cannot pay a person who then pays another person a part of his/her wages. This practice results in incorrect W-2 information and retirement information.

The employee's direct deposit notice reflects their leave balances as of the last reporting period.

Direct deposit notices may be printed by the employee at the school district's website (www.hazlehurst.k12.ms.us) by selecting "Active Resources".

As required by federal law, all time sheets **must be signed** by the employee and the supervisor. Other payroll forms (absence forms, etc.) must also have the appropriate signature(s).

ACTIVITY FUNDS

DESCRIPTION

Activity funds consist of two types of funds. They are **general fund** and **agency fund**. If the school district legally owns the resources accounted for in student activity funds, they should be accounted for as a **general fund**. General funds include athletic funds, bookstore funds, general school funds, etc.

If the resources in student activity funds are legally owned by the students or student groups, these funds should be classified as **agency funds**. Agency funds include the math club, the senior class, the BETA club, etc.

The funds named above are not all inclusive. To determine whether the fund is a general fund or an agency fund, each particular fund or club needs to be examined on an individual basis.

According to the Mississippi Code (Section 37-7-301(s)), activity funds may only be "expended for any necessary expenses which are deemed to be beneficial to the official or extracurricular programs" of the school.

According to the Office of the State Auditor, items which may not be purchased with activity funds include gifts, flowers for employees, teacher or employee appreciation meals, and salaries of any kind.

BOARD POLICIES

All activity fund policies in the **Board Policy Manual** of the Hazlehurst City School District must be followed. The policies relating to activity funds include:

Policy #	Description
DGA	Authorized Signatures
DIF	Student Activity Fund Management
DJA	Purchasing Authority
DJB	Purchasing Procedures
DJF	Miscellaneous Expenditures
JJ	Student Activities
JJA	Student Organizations
JJE	Student Fund Raising Activities
JJF	Student Activity Funds

MONTHLY TRANSMITTAL

The "Transmittal Cover Sheet" and "Receipt Transmittal each signed by the principal, must be submitted to the Business Office by the fifth working day of each month. Copies of deposit slips and school event receipt forms for the month must also be submitted to the Business Office by the fifth working day of the month. Please see the **Accounting Calendar** for due dates.

Do not send original deposit slips. Photocopies should be made on 8 ½ x 11" paper. In order to save paper, you may copy more than one document on a page. Each school's activity trial balance will be sent to the school by the 20th of each month.

VENDOR NUMBERS

Remember, federal tax regulations regarding form 1099's require that **all** ball officials have a vendor number.

CONTRACTS/REBATES/COMMISSIONS

Remember to send a copy of any agreement or contract that contains any rebate or commission, such as a school picture contract. These agreements or contracts must be approved by the School Board.

SCHOOL EVENTS THAT CHARGE ADMISSION

Pre-numbered tickets must be used for any local school event which a fee is charged for admission. All pre-numbered tickets for such events must be accounted for using the "School Event Receipt Form." A copy of each "School Event Receipt Form" must be submitted to the central office each month stapled to a copy of the deposit slip. This form must be filled out completely, with the first and last ticket stubs stapled to the form. A separate deposit slip should be used for these events, and the deposit slip must reconcile to the "School Event Receipt Form(s)".

FOOD AND BEVERAGE PURCHASES

Food and beverages may be purchased for a meeting as long as the principal determines that there is a particular goal or function of the meeting and the meeting is reasonably related to the educational goals of the school district (Board Policy DJF). If a school purchases food and beverages for a meeting, then the school must have documentation of an agenda, the purpose of the meeting and a list of attendees. The activity fund may not pay for a meal at a restaurant unless the meeting is held at the restaurant and the meeting lasts the majority of the day.

According to the Mississippi Attorney General's Office, a school may not provide teacher appreciation meals or staff appreciation meals. However, a school may provide food and beverages at a student athletic or student recognition banquet as long as the expenditure is beneficial to the official or extracurricular programs of the school.

RECEIPTS

A receipt must be prepared for any monies received at the school.

Teachers who collect money from students must account for and document the funds collected. At a minimum, they should list the names of the students and the amount paid by each. Any time a student pays money, the teacher should issue a receipt to the student. All receipts should be duplicated so that a copy of the student receipts can be kept on file by the teacher.

A receipt should be issued to anyone who turns in money to the school office. A copy of each receipt will be kept on file in the school office. Monies received should be deposited daily. No more than $100 cash should remain in the building at the close of the day.

Receipts must be prepared before any money is deposited. When preparing a deposit slip, the receipt numbers that make up the deposit must be listed on the side of the deposit slip. Receipts should be filed in numerical order by month, attached to the corresponding validated deposit slip.

Make sure to use the proper account classification on each receipt and have supporting documentation showing where the money came from.

Accounting codes to be used for receipts are:

103　　Petty Cash (gate cash)

112　　Redeposit of Returned Check

1310　Student Tuition (summer school, driver's education)

1520　Interest on Bank Accounts (regular and CD interest)

1711　Admissions (gate receipts, plays, etc.)

1791　Fees, Dues, Commission Sales (field trip fees, club dues, vending commissions), Bookstore Sales (sale of pencils, paper, etc.), Rentals (for space rented to an outside organization), and Other Student Activity (to be used only when the other categories are not applicable)

1920　Contributions/Donations (from outside sponsor or donor)

1940　Instruction Fees (workbook sales, lab fees, etc.)

FIXED ASSETS

REQUIREMENTS

Each public school district is required by the Mississippi Office of the State Auditor to establish and maintain a system of accountability for its fixed assets. These requirements include:

- Each district must tag all fixed assets.

- Each district must maintain a detailed listing of fixed assets.

- Each district must take a physical inventory at least annually.

- All deletions of fixed assets must be approved by the school board.

The district's detailed policies and procedures for fixed assets are found in the "***Fixed Assets Policy and Procedure Manual.***"

GUIDELINES

Capitalized fixed assets are defined as assets (with a useful life of greater than one year) that have a historical cost of at least $1,000 and all assets (regardless of cost) that are considered highly walkable. The highly walkable items are:

- Computers and computer equipment (greater than $250)

- Cameras and camera equipment (greater than $250)

- Televisions (greater than $250)

- Two way radio equipment

- Lawn maintenance equipment

- Chain saws

- Air compressors

- Welding Machines

- Generators

- Motorized vehicles

In other words, any item costing $1,000 or more automatically qualifies as a fixed asset. Any of the ten items shown on the highly walkable list automatically qualifies as a fixed asset. This also applies to fixed assets (valued at their fair market value) that are donated to the school district. Any fixed asset that is the personal property of an individual and not the property of the school district should be clearly labeled as such and not included as a district fixed asset.

When a fixed asset is purchased with district funds, a Fixed Asset Acquisition form must be completed and attached to the purchase order when it is submitted for payment. The

purchase order will be returned if the form is not included. When a fixed asset is purchased with school activity funds, the acquisition form must be completed and submitted with the monthly activity fund transmittal.

All fixed assets are to be tagged with "Property of Hazlehurst City Schools" bar code tags. For heavy items, the tag should be placed on the upper right side or right front of the item. For light items, the tag should be placed near the serial number. Tag placement should allow room for the use of a bar code scanner for inventory purposes. If, for any reason, a property tag is removed or damaged, please submit a request to the district office for a replacement tag. Include the school location and the original fixed asset number. Please use a permanent ink marker to label the item with the asset number as well as "Property of HCSD" until the replacement property tag has been issued by the district office.

Upon the acceptance of any donated item considered a fixed asset, a Fixed Asset Donation form must be submitted to the district office. Donation forms for any donated item with a fair market value of five hundred dollars ($250) or more must be accompanied by an Agenda Request form for Board recognition. All technology equipment must be approved by the director of technology or the technology coordinator prior to acceptance of the donation.

When an item is moved within a school or department, the fixed asset manager within the school or department must be notified. This is a necessity with the bar code scanner method of maintaining the fixed asset inventory. All room numbers and location codes must be kept accurate at all times. When an item is permanently transferred from one school or department to another, a Fixed Asset Permanent Transfer form must be completed. If the transfer is temporary, the 'sending' school or department should keep a Temporary Fixed Asset Transfer form on file until the fixed asset is returned.

Items purchased with Education Enhancement Funds (EEF) **must** remain at the school location from which the purchase was made in the event a teacher transfers to another school location.

Any fixed asset found to be beyond repair, lost, stolen, destroyed in a catastrophe or returned for credit must be submitted to the district office on a Fixed Asset Disposal form as well as a Board Agenda Request form, signed and dated by the school principal or department head. A "lost or stolen property affidavit" must be prepared and signed. Items should be stored until approval has been granted from the school board for them to be removed from inventory. **It is only after the item has been approved by the board to be removed from inventory that you may dispose of the item**. A copy of Board action, a copy of the approved disposal form and a copy of the "lost or stolen property affidavit" will be sent to the fixed asset manager once school board approval has been granted.

The responsibility for the physical custody of the fixed assets is assigned to the principal or department head. Any employee having custody and responsibility of any fixed asset will exercise due professional care in managing, maintaining and controlling the fixed asset. Employees will be required to complete and sign a two part "Fixed Asset Log" which lists the assets in their possession. The original shall be posted in the employee's work area at the beginning of each school year and the yellow copy is to be kept by the Principal/Director. If the inventory changes during the year, corrections should be made on the original and a copy given to the Principal/Director. A current "Fixed Asset Log" should be on file at the end of the fiscal year reflecting the inventory at year-end. If an employee is negligent in this duty, he/she may be held personally liable for fixed assets that are damaged or missing.

Please keep in mind that the Mississippi Office of the State Auditor audits each school district every twelve to eighteen months. For this reason, we recommend a fixed asset inventory be completed at the beginning and end of each school year. We require a year-end inventory each spring at which time all missing items are reported to the district office as well as any item qualifying as a fixed asset but not listed on inventory.