

CANYONS SCHOOL DISTRICT

**FINANCIAL ACCOUNTING
MANUAL**



**CANYONS
SCHOOL DISTRICT**

Canyons School District
Accounting, Auditing and Budgeting Department
9361 South 300 East
Sandy, UT 84070
www.canyonsdistrict.org

CANYONS SCHOOL DISTRICT

Financial Accounting Manual



Prepared by:

Accounting, Auditing and Budgeting Department

Revised

5/26/2021

TABLE OF CONTENTS

Chapter 2 TABLE OF CONTENTS

ACCOUNTING SYSTEMS

Internal Controls	1
Accounting Code Structure and Detail.....	1

CASH HANDLING

Checking Accounts	4
Savings and Investment Accounts	5
School Credit Accounts	5

CASH RECEIPTS

Elementary Schools.....	7
Secondary Schools	8
Cash Boxes	10
Petty Cash Funds.....	11
Miscellaneous	12

CASH DISBURSEMENTS

Cash Disbursements.....	13
Gift Cards	14

SCHOOL LEDGER ACCOUNTS

General Account	16
Administrator’s Discretionary Account.....	17
Vending Accounts	19
Picture Commission	19
Faculty Fund.....	19
District Reimbursement Account – Secondary Schools.....	20
Canyons Education Foundation Account.....	21
School Lunch	21
School Lunch Refunds	22
Event Log History Report	23
Career and Technical Education Class Accounts.....	23
Other Student Accounts.....	24

BANK RECONCILIATIONS AND MONTH-END REPORTS

Elementary Schools..... 25
Secondary Schools 25
Bank Fees and RevTrak Fees 26
Interest Revenue..... 26
Returned (Insufficient Funds) Checks 26
Returned Lunch Check Procedures..... 27
Secondary School Fee Accounts Sent to Outsource Receivables Management..... 28
Procedures for Processing Lunch Funds Schools Receive from the District’s Collection Agency 28

PURCHASING

General Information & Guidelines..... 29
Procurement Thresholds (Bid Requirements) 29
Purchasing Clarifications..... 31
Approval Process – District 31
Approval Process – Elementary & Secondary Schools..... 32
Verification of Purchases Made with District Funds..... 33
Contracts..... 34
Purchase Cards..... 34
Using Amazon to Purchase Items 34

FUNDRAISERS

Fundraisers..... 35
School Level Fundraising Guidelines..... 36
Elementary & Middle School Guidelines 37
High School Guidelines 37
Business Partnerships 38
Other Considerations..... 39
Donations..... 40
Booster Clubs & Parent Supporting Groups 40

CAMPS AND CLINICS

Guidelines 43
Filling Out The Online Form 43

DISTRICT REIMBURSEMENT

NPO Requisitions 45
Mileage 46
Mileage Guidelines 46
Record Retention 48

TRAVEL

Student Travel..... 49
Adult Travel..... 49

UNCLAIMED PROPERTY

Unclaimed Property Guidelines 50

UTAH SALES TAX

Tax Exempt Purchases 52
Sales Tax Collection..... 52

MISCELLANEOUS SECTION

W-9's 54
Journal Entries 54
Budget Transfers 54

GRANTS

Compliance 55
State & Federal Grant Reimbursements 55
Fiscal Agent Agreements 55

FIXED ASSETS AND CAPITAL IMPROVEMENTS

Fixed Assets..... 56
Capital Improvements..... 56

LEGISLATIVE CLASSROOM SUPPLY FUNDS

Activating the CLASSWALLET Account..... 57
Using the Legislative Funds..... 57
Consequences of Funds Misuse 58
Tracking Individual Expenses 59
Accidental Purchase..... 59
Monitoring Balances 59
Administrative Assistant Responsibilities 59
Principal Responsibilities 60
End of School Year 60
Problems 60

ACCOUNTING SYSTEMS

Internal Controls

The policies and procedures outlined in this manual are based on internal control principles. Internal controls are designed to limit the risk of misstatement due to errors, theft and misappropriation of District assets. The control environment reflects the overall attitude, awareness, and action of the Board, Administration and others concerning the importance of control and its emphasis in the District. The accounting system establishes a method to identify, assemble, analyze, classify, record, and report the District's transactions and to maintain accountability for the related assets and liabilities. Skyward is the District's official accounting system. No other system should be used to track or record financial transactions or data. Using additional systems weakens the information in Skyward, wastes resources, and is ineffective. Every effort has been made to establish policies and procedures that balance the effectiveness of internal controls with the costs associated with implementing them. Commitment to internal control is necessary at all levels of the District in order for the controls to be effective.

Account Code Structure and Detail

It is important to identify the proper account to which an item will be expensed prior to making a purchase. Doing so will ensure that proper approvals have been obtained and transactions are accounted for appropriately. This is applicable to both District and school level transactions. The District uses a 17 digit account code, which is in the following format. It is extremely important that correct codes are used. If the correct account is not available, please either set up the account (school checkbooks) or contact the Accounting Department for assistance.

Fund	Type	Location	Program	Function	Object
XX	X	XXX	XXXX	XXXX	XXX

1. **Fund:** two numbers which indicate the source of the funds. The funds utilized by the District are listed below. The need to account for separate operations differently and the fact that many school District revenue sources carry legal restrictions regarding how they can be spent, have resulted in the development of fund accounting for school Districts. Fund accounting emphasizes separate detailed accounting and reporting for each of the several subparts of a District, called funds, rather than accounting and reporting for the District as a whole. Significant importance is placed upon the need for the accounting system to assure that spending restrictions are met.

The District has seven funds:

- 10 – General Fund
- 21 – Student Activities
- 23 – Non-K12-(Closed)
- 26 – Pass-through Taxes
- 31 – Debt Service
- 32 – Capital Projects
- 51 – Nutrition
- 60 – Insurance
- 75 – Canyons Education Foundation

2. **Type:** one letter which indicates the type of account. R = Revenue and E = Expense.
3. **Location:** three numbers which indicate the location.
4. **Program:** four numbers which indicate the cost center, department or program/grant. Please note that there is no correlation between program numbers used for District programs and those used for school programs.
5. **Function:** four numbers which indicate the revenue source or expense category.

Revenue Functions	
1xxx	Local Revenue
2xxx	State Revenue
4xxx	Federal Revenue

Expense Functions	
10xx	Instruction (all school checkbook expenses)
21xx	Supporting Students
22xx	Supporting Teachers
23xx	District Administration
24xx	School Administration
25xx	Business Departments
26xx	Facilities Operation Departments
27xx	Transportation
28xx	Human Resources
31xx	Nutrition Services
33xx	Preschool and Adult Ed
4xxx	Capital
8xxx	Foundation
xx90	All Accounts Payable Expenses
xx(1-8)x	Payroll Expenses

6. **Object:** three numbers which indicate what is being purchased. The following table indicates the ranges used for objects.

1xx	Salaries
2xx	Employee Benefits
3xx	Purchased Professional & Technical Services
4xx	Purchased Property Services
5xx	Other Purchased Services
6xx	Supplies & Materials
7xx	Property (includes equipment)
8xx	Other
888	Balance Sheet

999	Revenue
-----	---------

Revenues and expenditures should be coded to the proper account, regardless of whether there is a budget for the item. For example, if a school or department purchases postage but did not budget for it, the expenditure should still be coded to object 532 – Postage. The department will need to keep their budget in line by spending less in another non-payroll budget category (i.e. supplies). A budget revision may be requested for the change. Refer to the appendix for a copy of the Budget Revision request form.

CASH HANDLING

Checking Accounts

Elementary schools shall not have a checking account. They will only have two “deposit only” accounts. One for money collected at the office and one for money collected for school lunch. Secondary schools shall have one checking account for receipting and disbursing. The Administrator and Administrative Assistant will determine which financial organization to use. It would make sense to select a financial organization with a close proximity to the school, since timeliness of deposits is required by Canyons School District and State Law.

- A. It is recommended that school checking accounts have three signers so a third person is available to sign checks in case the Administrator or Administrative Assistant is unavailable.
- B. All checks shall have two signatures. Signature cards should be updated whenever there is a change in Administrators, Assistant Administrators, or Administrative Assistants.
- C. Signature stamps should never be used to sign checks. Secondary schools may use a check protector.
- D. Never sign blank checks. Checks should be completely filled out prior to signing.
- E. Checks should be made payable to a specific payee – never to “cash” or “bearer.”
- F. The Administrator should open the bank statement and review it for overdraft notices, bank fees, credit card fees, balances, unusual items, etc. The copies of the cancelled checks should be reviewed for appropriate signatures, reasonable amounts and payor names. The Administrator shall initial the bank statement confirming review before providing it to the Administrative Assistant for reconciliation.

Secondary schools shall **only** have one checking account. Examples of **inappropriate accounts** would include: Booster accounts, PTA accounts, School Community Council accounts, Bookstore accounts, and personal/individual accounts.

Faculty members of a school may have a separate checking account if:

- A. The account is funded solely by faculty dues
- B. The account is maintained and reconciled by a faculty member, Administrator or Administrative Assistant.
- C. The Administrator or the Administrative Assistant may **not** be a signer on the account.

- D. The checking account is used solely for the purpose of the faculty. Examples of acceptable purchases would be flowers (birthdays or funerals) or gifts for special occasions.

Checking accounts must be reconciled in a timely manner – usually two weeks following the statement date.

- A. Interest earned on checking or savings will be receipted into the general program. The account code used is - 21 LOC 2000 1510 999. **Only interest revenue should be posted to function 1510.**
- B. Contact the Accounting Department with any problems or questions when reconciling the bank statement.

Savings and Investment Accounts

Utah State Code Section 51 requires that all monies invested by public entities be in compliance with the Utah Money Management Act.

Savings and investment accounts are encouraged to maximize interest earnings. Excess funds that are not needed for day-to-day operations should be invested into a sweep account, high-yield savings account, money market account or certificate of deposit with a twelve month or less maturity.

Any secondary school that wishes to invest its excess funds in any investment vehicle other than those mentioned above must contact the Director of Accounting, Auditing and Budgeting to ensure compliance with state law.

School Credit Accounts

It is **generally** recommended that schools not have credit accounts. All school purchases should be made by a school check or Purchase Card. If charge accounts are deemed necessary by an Administrator, then they may be used under the following conditions:

- A. The account is opened in the school's name, not the District's name.
- B. All charges on the account are the responsibility of the Administrator.
- C. The credit application is signed by the Administrator. Only school employees making frequent purchases should be authorized to sign on the account.
- D. An open purchase order is approved by the Administrator with a "not to exceed" amount on the face of the purchase order.
- E. The original charge slip or receipt must be submitted to the Administrator for approval and reconciled each month by the Administrative Assistant to the vendor's statement.

- F. Schools are required to submit lists of all credit accounts they have opened along with their end of year financial report.

CASH RECEIPTS

All monies received by schools and departments must be receipted and recorded. District department receipts must be brought to the Accounting Department and placed securely in the safe.

Elementary Schools

All cash received (including school lunch money) shall be deposited at least every three days as required by Utah Code 51-4-2. A school can fulfill this requirement by making a deposit twice a week with at least two days in between. The day the deposits are made could change if a holiday occurs during the week.

The Administrative Assistant will receipt all money into Skyward, print a Skyward receipt and prepare a deposit slip. The only exception to this is lunch money where the nutrition workers will count the money received and fill out a deposit slip. The Administrative Assistant will still receipt lunch money into Skyward. For more information on the lunch deposit, refer to the School Ledger Account – School Lunch section of this manual.

The Administrator will take the deposit to the financial institution. It is preferred that the Administrator wait for the deposit receipt after dropping off the deposit. If the Administrator cannot wait for the deposit receipt, verification of the deposit should be made within 1-3 business days. This is usually accomplished by the school verification on the financial institution's website.

There may be a **few** times a year when an administrator is not available to take the deposit to the bank. In these rare instances the financial secretary or the school's Achievement Coach may take the deposit to the credit union or bank. When a substitute principal is sitting in for an administrator who is on an extended leave of absence, the substitute administrator should be taking the deposits to the bank.

In elementary schools, teachers may collect money from students for fundraisers (e.g. cookie dough) or when a product is received (e.g. book club). The teacher shall record the student's name and amount paid in a log that shall be submitted along with the money to the Financial Secretary on a daily basis. **Faculty shall not keep money collected from students in their classroom overnight nor on their person at any time.**

Library fines should be brought to the front office. The media specialist will record the student's name and amount paid on a log and submit it along with what was collected to the Financial Secretary on a daily basis.

Other factors to consider:

- A. Two party checks should never be accepted.
- B. Do not cash personal checks from Administrators, faculty or parents.

- C. The borrowing or stealing of school funds is illegal.

Secondary Schools

All receipting at middle schools and high schools must be done at the main office. **No receipting is to be done in the classroom.** If a teacher needs verification that a student has paid a particular fee, a copy of the receipt should be requested from the student.

A. Daily Preparation to Receipt Cash

1. Log into the financial system using a unique user ID for each machine. This is important because the Receipts Reports are sorted by date, receipt number and user ID. Each user is responsible for all activity and transactions performed under his/her user ID.
2. Ensure that each cash drawer has a sufficient beginning balance. This amount is used to make change and should be consistent from day to day. A suggested amount is fifty dollars (\$50.00) per drawer.

B. Closing Receipts for the Day

1. Receipting should take place late enough into the day to accommodate the majority of students and parents, but not so late that receipts cannot be prepared in time to deposit that day.
2. At the end of each day print a Receipts Total Report. This report will identify by user id; the student's name, amount tendered and method of payment (cash, check, credit, waiver, refund). This report is used to balance and reconcile the daily receipts with the daily bank deposit.
3. The beginning cash balance of fifty dollars (\$50.00) should be removed from the cash receipts and secured in the safe for the following day's business. Do not include it in your count.
4. The remaining cash, checks and credit card receipts should agree to the Receipts Total Report. This count and reconciliation should be performed by the person who receipted the cash for that session and whose user ID appears on the Receipt Report. This person will prepare a deposit slip for their portion of the day's receipts (cash and check) and place the deposit slip and funds in a deposit bag for an Administrator to take to the bank. Deposit bag(s) should be stored securely in the safe until the Administrator is ready to take them to the bank. Deposits will be made daily.

5. School lunch money should be receipted by the Nutrition Department's employees and deposited daily. Lunch funds are not to be combined with the school's other deposits.
6. An Administrator will take the deposit to the bank or credit union. It is preferred that the Administrator wait for the bank deposit receipt. If the Administrator cannot wait for the bank deposit receipt, verification of the deposit should be made within 1-3 business days. This is usually accomplished by the Administrative Assistant's verification on the bank's website. **Administrators should never leave deposits in their office, home or vehicle unattended. Deposits should never be held overnight except for late games and the deposits should be secured in the safe.**

C. Special Event Receipting (Ticket Sales)

1. Sports events, dances and musical productions are examples of school activities where tickets will be sold.
2. Each school will have numbered tickets for each pricing group. For example, blue tickets could be \$3.00 for students, red tickets could be \$5.00 for adults and green tickets could be \$20.00 for families.
3. Two adult staff or faculty members should sell tickets together. This reduces the risk of theft.
4. An Activity Accounting Worksheet (commonly referred to as a count sheet) is to be completed for **each** cash box used for every school activity or event where a cash box is used and/or tickets are sold. Refer to the Appendix for a sample of an Activity Accounting Worksheet.
5. The activity (example: boys basketball game), date and starting cash amount is entered on the Activity Accounting Worksheet.
6. The person preparing the cash box should staple to the Activity Accounting Worksheet the first ticket from each of the "ticket rolls". The next ticket on each of the "ticket rolls" will be the first sold tickets. At the **end** of the activity, someone other than the Ticket Sellers must staple to the worksheet the now first tickets from each of the "ticket rolls". These are the tickets after the last sold tickets. The quantity of tickets between the two stapled tickets for each roll on the worksheet is evidence to the Administrative Assistant how many tickets were sold for each group and how much money should have been collected.
7. At athletic events, each patron is given a ticket. The patron gives the ticket to the Ticket Taker (this is someone different from the "Ticket Seller"). The Ticket

Taker tears the ticket in two and stamps the hand of the patron. The hand is stamped so the patron can easily come and go from the activity.

8. At dances the patron shows the ticket to the ticket taker because some students want to keep these tickets. It is suggested that schools keep a list of who purchased dance tickets in case these tickets are forgotten or lost.
9. The two people who sold the tickets and collected the money should count the money together and reconcile it to the Activity Accounting Worksheet. Quantity of tickets sold multiplied by the ticket price should equal the total amount of cash received. The Activity Accounting Worksheet should be signed by both individuals and the cash box with the worksheet is turned over to the Administrator at the event. The Administrator will secure the cash box in the school safe for the next day's deposit.
10. Proceeds from the ticket sales **must be reconciled by the front office staff the next business day**. For example, tickets sold for admission to Friday night's basketball game and Saturday's dance must be reconciled to the corresponding cash received and deposited on Monday; if Monday is the next working day for school office staff. If Monday is a holiday, then the reconciliation would take place on Tuesday. The reconciliation may be performed by the Administrative Assistant or by someone authorized by the head Administrative Assistant. It is preferred that two people count the cash and prepare the deposit slip.
11. Refer to the "Cash Boxes" section of this manual for additional information regarding use and handling procedures.

Cash Boxes

Secondary schools usually have large amounts of cash secured in the school's safe for the purpose of "funding" cash boxes. Cash boxes are used to secure cash and check receipts for various event sales. Examples of events where a cash box would be used would include (but are not limited to): lunch receipts, gate receipts, dance ticket sales and front office cash drawers.

- A. Each cash box shall be numbered and an even dollar amount established.
- B. Each cash box shall contain a blank Activity Accounting Worksheet (count sheet) that can be used for event sales. Refer to the Appendix for a sample Activity Accounting Worksheet (schools are encouraged to adapt the form to their needs). It is important that the responsible individuals use the count sheet to track ticket or other sales and accurately count the funds after the event is over. Counts shall always be completed by two people. After the count is completed, both individuals shall sign the bottom of the Activity Accounting Worksheet (count sheet) certifying the count.

- C. Each secondary school should keep a summary of their cash boxes as shown below:

<u>Cash Box Number</u>	<u>Cash Box Purpose</u>	<u>Amount</u>
1	Lunch Drawer	\$ 50.00
2	Lunch Drawer	50.00
3	Lunch Drawer	50.00
4	Front Office Receipt Drawer	50.00
5	Front Office Receipt Drawer	50.00
6	Event Start-Up	100.00
7	Event Start-Up	100.00
8	Event Start-Up	<u>100.00</u>
Total amount of cash in Cash Boxes		\$ <u>550.00</u>

- D. When an event takes place, the Administrative Assistant will sign out the cash box to a responsible individual by using a Cash Box Transfer Form. The Administrative Assistant will keep this form until the cash box is returned. Refer to the Appendix for an example of a Cash Box Transfer Form.
- E. When the cash box is returned, the Administrative Assistant will “sign in” the cash box by verifying the proper amount is in the cash box. This requires that the cash be counted by the Administrative Assistant and the individual who originally signed out the cash box and compared to the completed Activity Accounting Worksheet (count sheet). Any discrepancies between the final count and the Activity Accounting Worksheet (count sheet) should be noted and resolved. Finally, the Cash Box Transfer Form shall be initialed and dated by the individual and the Administrative Assistant confirming all cash has been returned and accounted for.
- F. The cash in the safe should be recorded on the school’s ledger of accounts (general ledger). The account code used is 21 A LOC 0000 8113 888 – Cash Boxes and Safe.
- G. The cash should be counted regularly and matched to the ledger balance to determine if the correct amount of money is in the cash boxes and cash drawers.
- H. When a change at the school is made in the Administrator or Administrative Assistant, the outgoing and incoming persons should agree to the amount of money in the vault. The total amount of money in all cash boxes should not exceed \$2,000 for middle schools and \$4,000 for high schools.

Petty Cash Funds

Canyons School District strongly discourages all elementary and secondary schools from maintaining a petty cash fund. The usage of petty cash funds in schools is infrequent and with the issuance of District credit cards (P-Cards), the petty cash fund is no longer necessary.

Miscellaneous

- A. Do not accept two party checks for any reason.
- B. Do not cash personal checks or IOU's.
- C. An Administrator or Assistant Administrator should take deposits to the bank at least twice a week for elementary and middle schools. Daily for high schools.
- D. The "borrowing" of funds is strictly prohibited.

CASH DISBURSEMENTS

Cash Disbursements

All disbursements made by a school should be by check or P-Card. Please refer to the Purchasing Card Training created by the Purchasing Department for specifics on P-Card usage and restrictions. Please access this training on the District’s website at – CanyonsDistrict.org>Employees>Departments>Purchasing>Purchasing Forms>Purchasing Card Training.

Elementary schools will use Skyward to enter check requests, since they do not have checking accounts at the school. Skyward will route the check requests to be approved by the appropriate management and the Accounts Payable Department will issue the checks once they have been approved.

- A. All school purchases must be authorized by the school Administrator **prior** to any check being paid. If a faculty member makes a purchase with personal funds and requests to be reimbursed by the school, the Administrator **must** have given their approval prior to the purchase. The only exception to this rule is legislative teacher supply funds. Please refer to the “Approval Process – Elementary & Secondary Schools” section of this manual for more information.

- 1. Legislative funds are approved by State Law and, therefore, the Administrator does not need to pre-approve expenditures made with these funds. The Administrator must verify that legislative funds are used for teaching supplies and materials. Teaching supplies and materials can be expendable or nonexpendable items that are used for educational purposes by teachers in classroom activities and may include items such as paper, pencils, notebooks, supplementary books and resources, lab supplies, etc. The definition of teaching supplies and materials should be broadly construed as far as the teacher uses the materials for instructional purposes. Refer to Utah Administrative Code R277-459 for additional information.

Refer to the Legislative Classroom Supply Funds section of this manual for additional information.

- B. Every check should have supporting documentation as backup. In addition, all supporting documentation should accompany the check when presented for signature. To confirm that the supporting documentation was reviewed and disbursed funds have been approved there is a verification process that can be documented by one of the following methods:
 - 1. Retaining a copy of the signed check *or*
 - 2. The Administrator initials the check stub *or*
 - 3. The Administrator initials the reviewed invoices *or*

4. An Approved for Payment Form (adopted by some schools) needs to be signed.

Elementary schools use the Skyward Check Request entry system. The elementary schools are still required to retain the original scanned attachments at their locations.

- C. All checks should be pre-numbered, used in sequence and properly safeguarded at all times. Check stock should be locked in a secure location.
- D. Checks should be made to a specified payee. Checks should never be made to "Cash".
- E. Voided checks should have "Void" written across the face and the signature line cut out.
- F. The use of signature stamps is prohibited.
- G. Never sign blank checks. Checks should be completely filled out prior to signing.
- H. All checks should have two signatures. In the case of secondary schools with signature machines, the Administrator should review and initial each check copy.
- I. If an Administrator wishes to request reimbursement for an amount greater than \$20, their area supervisor must approve the reimbursement. Documentation of this approval must be attached to the back of the cancelled check along with the other supporting documentation. For example, if approval is obtained by email print a copy of the email and attach it to the cancelled check.

Gift Cards

GIFT CARDS SHOULD NOT BE GIVEN TO EMPLOYEES BY A SCHOOL OR DEPARTMENT.

Educators may receive gift cards by an outside company if they are nominal in amount and the employee has no influence in the purchasing of goods or services. (Example: a survey company handing out gift cards to teachers assisting with students taking surveys).

Students can receive gift cards if all of the following are true:

- A. Schools and departments should never purchase "general use" gift cards or gift certificates like a VISA gift card. Examples of acceptable gift cards would be from Wal-Mart, Target or a card to a specific store.
- B. No student should receive more than two a year and no more than \$40.
- C. The face value of each card is not more than \$20. A student may receive any dollar combination of gift cards just as long as no student receives more than \$40 worth of gift cards per year.
- D. They are never purchased to "use up" a remaining budget amount,

- E. They are kept under lock and key as though they were cash,
- F. A list is made of the recipient's name; why and when they received the gift card; and the list must include the recipient's signature confirming they received the gift card. (*see appendix for sample form*)
- G. The list in "E" above is attached as backup to the check or kept in a separate file folder.

Students may receive gift cards with a value greater than \$20, if the student is in a Board Approved Program that allows for this exception.

The main issues arising with gift cards/certificates are:

- A. Preventing the theft of these items is as difficult as cash. Since these items are desirable, they can be easily used or sold for cash, and cannot be traced to a user/seller, for all intent and purposes they are cash.
- B. Special tax rules apply to these items. Potentially, these items are taxable both to the employer (payroll taxes) and to the employee (payroll & income taxes) – see IRS Publication 15-B – Employers Tax Guide to Fringe Benefits.

SCHOOL LEDGER ACCOUNTS

The school's general ledger (often referred to as a balance sheet) is a picture of the school's financial position at any given point in time and is ultimately the responsibility of the Administrator. It is very important that the school's general ledger is reviewed on a monthly basis and account balances are reviewed for accuracy. Programs with a continual deficient balance should be closely monitored by the Administrator and corrected before too much time has elapsed.

General Account

The General Account (program 2000) should be used to track expenditures that are made for the support of the general student population. This is a student miscellaneous account where items purchased must either directly or indirectly benefit the children. This account should not be used for faculty or staff treats, food, gifts, perks, etc. – expenditures such as those should be coded to the Administrator's Discretionary Account (program 2001) or purchased using contributions from the Faculty Fund. Examples of charges to the general account are:

- A. School supplies and textbooks.
- B. Student assemblies in support of the instructional program.
- C. Transportation costs to art and music festivals, math and science contests, and other types of student travel that are part of a basic instructional school program.
- D. The support of student recognition programs such as National Honor Society, Student of the Month, and other student programs that build incentives and support student achievement.
- E. Bank fees, with the exception of returned checks.
- F. Costco membership renewals.

Examples of money received that should be posted to the general account are:

- A. Unrestricted donations should be posted to **21 R LOC 2000 1920 999**. Examples would be box top donations and donations from Kroger, Target and CSO Foundation.
- B. Building rental proceeds sent to the school from the District office should also be coded to general. Use account code 21 R LOC 2000 1710 999. Call Accounting if you need assistance in creating account program numbers.

- C. Bank interest should always be posted to general. Use account 21 R LOC 2000 1510 999. DO NOT USE THIS ACCOUNT NUMBER FOR ANYTHING ELSE.
- D. Student recycling proceeds should be posted to the general program. Use account 21 R LOC 2000 1750 999. Faculty recycling proceeds may be posted to the Administrator's Discretionary Account (Program 2001) or the Faculty Fund (program 3610).
- E. Energy Rebate Checks

Call Accounting if you need assistance in creating account program numbers.

Administrator's Discretionary Account

The Administrator's Discretionary Account (program 2001) should be used to track expenditures for faculty and staff. This account is to allow the Administrator some flexibility on how to give moral support and encouragement to personnel. The amount spent out of this account must be paid using non-restricted funds the school has within its checking account. Non-restricted funds would be picture commission, faculty recycling and faculty/student vending commission. Schools should never cover the costs of this account with District budget money, student fees **or school donations**. Purchases from this account must still follow normal purchasing procedures. Some examples of appropriate expenditures are:

- A. Annual association dues for Administrators and Assistant Administrators.
- B. Cost of sending an Assistant Administrator on a student trip.
- C. Conference registration.
- D. Food for staff and faculty on back-to-school night or parent teacher conferences. Food and treats for staff meetings.
- E. Water machine rental and service.
- F. School sweatshirts or t-shirts for staff and faculty.

Some examples of inappropriate expenditures are:

- A. Personal bills (e.g. utilities, groceries, rent)
- B. Extravagant excessive items (e.g. TV's, Jazz Tickets)
- C. Birthday presents, wedding presents, bereavement and retirement gifts
- D. Party supplies

The volume and dollar amount of purchases from this program are to be reasonable and not excessive. This account should never be in a deficit position. When this program is in a deficit position it means that student funds are paying for faculty and staff expenditures.

The following schedule gives the principal some guidance on where to charge expenses:

		PRINCIPALS DISCRETIONARY ACCOUNT	FACULTY ACCOUNT	GENERAL ACCOUNT
FUNERALS				
	TEACHER DEATH			X
	TEACHER'S PARENTS DEATH		X	
	STUDENT DEATH			X
	STUDENT'S PARENTS DEATH			X
	STUDENT DESTITUTION-BUY CLOTHES, ETC -USE RARELY			X
	RETIREMENT GIFTS		X	
	RETIREMENT - CAKE/FOOD - PLAN WITH MONTHLY MEETINGS	X		
	SECRETARY'S DAY		X	
	BOSSSES DAY		X	
	BIRTHDAYS		X	
	GIFT CARDS FOR STUDENTS - KEEP IT REASONABLE-BUT NOT OVER \$40 PER YEAR			X
	GIFT CARDS FOR TEACHERS - NOT ALLOWED			
	HOLIDAY GIFTS	\$15 TOTAL PER EMPLOYEE	X	
	HOLIDAY FOOD			
	WATER/ICE MACHINES - TEACHERS	X		
	WATER/IC MACHINES - STUDENTS			X
	FOOD FOR MEETINGS-WHAT IS REASONABLE			
	HOW MUCH IS TOO MUCH IN CLASSROOM ACCOUNTS			
		YES	NO	
(1)	MOVE MONEY FROM CELL TOWER TO PRINCIPAL DISCRETIONARY	X		
(1)	MOVE MONEY FROM CELL TOWER TO FACULTY FUND	X		
	MOVE MONEY FROM CELL TOWER TO FACULTY FUND OFF BOOKS		X	
(1)	HAS TO BE IN THE SCHOOL COMMUNITY COUNCIL MEETING MINUTES			

If there are areas that are not covered on the above chart, please feel free to contact the Accounting Department at 801-826-5341 to receive an answer to your question.

Vending Accounts

If a school has vending machines, the profits and losses on those machines should be tracked in their own program accounts. For Secondary Schools the programs are:

- 2095-Water Vending; 2096-Student Vending Beverage; 2097-Student Vending Candy/Snacks; 2098-Student Pencils/Erasers/Paper; 2099-Faculty & Staff Vending).

For elementary schools the program is 2099 – Faculty & Staff Vending.

At year-end, the balance in the Water Vending Program and the Faculty Vending Program (whether positive or negative) should be transferred to the Administrator's Discretionary Account (program 2001) to maintain the profit/loss year-by-year information. The year-end balance in the Student Vending Program may be transferred to the General Program (program 2000) or Administrator Discretionary Program (program 2001) as deemed necessary by the Administrator.

Picture Commission

Picture commissions should be posted to General Account or the Administrator's Discretionary Account as deemed necessary by the Administrator.

Faculty Fund

Most schools have a faculty account/fund that generates funds through annual donations or dues paid by the school faculty and staff. This account is to be used for the purchase of:

1. Birthday gifts, wedding gifts, secretary day and bosses day, bereavement and retirement gifts
2. Party supplies

A. If this money is kept on the school books (program 3610):

1. The account should **never** be in a deficit position. If this program is in a deficit position, it means that student or District funds are paying for faculty expenditures. Additional funds should be collected from the faculty to bring the program back to a positive balance.
2. This account should only be funded by employee contributions. Under no circumstances should school or District funds be used to subsidize this account.
3. Purchases from this account should not be made using the school or District's sales tax exempt status.

4. Purchases from this program **MUST** comply with Canyons School District policies as described in this manual.
- B. This account, in some cases, may be independent of the school's books (a separate checking account at a local bank or credit union). If that is the case, be aware of the following:
1. For secondary schools, the Administrative Assistant in charge of the school's books should not be involved in the management of the account (secondary schools will need to select a faculty representative). Elementary Administrative Assistants may be the custodian of the faculty fund bank account.
 2. The faculty representative or elementary Administrative Assistant that has custody of the account should handle all of the collection of dues, reconciling the bank statements, etc. A separate checking account is opened in someone's name and social security number. Usually the deposit amounts are insignificant and this checking account will not provide a large amount of reportable interest to the IRS.
 3. Responsibility for proper control and accounting of independent accounts resides with the designated faculty representative. The account will not be monitored or audited by the District or its external auditors.
 4. The school Administrator should not approve payments or be a signor of the bank account(s).
 5. The account must not use the school's or District's sales tax exempt status or federal tax identification number because the only purpose of this account is to provide gifts for its members.

District Reimbursement Account – Secondary Schools

A District reimbursement account (program 9400) is used for purchases that are made with school money, that are later submitted to the District, via an NPO, for reimbursement. Qualifying purchases should be submitted regularly for reimbursement.

When the school makes a purchase using school funds for items they know are going to be submitted for reimbursement, program 9400 should be used when a check is cut. When the school receives a reimbursement check from the District, the money should be posted to the program used when the school check was written (which is typically 9400).

The reimbursement account should be monitored closely so that the balance does not become too large. Please apply for reimbursement at least quarterly. The reimbursement account should be reconciled on a regular basis to ensure that items have been properly coded and tracked. The balance in the program should equal the NPOs that have not been submitted to or paid by the District.

Whenever possible Secondary Schools should limit the use of District reimbursement accounts and instead use a District purchase order or NPO so the District may pay for the item directly. Doing so eliminates unnecessary and time-consuming steps.

Canyons Education Foundation Account

From time to time the Foundation may receive donations or grant money for a particular school. The Foundation will deposit the donated funds and then issue a Canyons School District check (secondary schools) or a journal entry (elementary schools) for the amount of the grant or donation. For secondary schools, checks received from the District must be deposited in the appropriate program or Program 2000 for unspecified donations. For elementary schools, Accounting will enter a journal entry posting the funds to Program 2027.

School Lunch

School Lunch Guidelines

Canyons School District is committed to a school environment that enhances a student's learning and encourages parents to assist their children in receiving the nutrition needed to stay focused throughout the school day. Therefore, the District has adopted a new meal policy. Refer to Canyons School District Policy Manual – Policy 300.11 for additional information and procedures.

School Lunch Program

For Secondary Schools, the purpose of the school lunch account (program 9070) is to receipt lunch monies collected from students over a month's time. At the end of each month, all money collected should be removed from this account and sent to the District Nutrition Department. At the end of each month, the balance in the account should be zero. On rare occasions, a timing difference may exist between the amount showing on the school lunch manager's records and the school's records. Such a difference should be minimal, reconcilable and cleared the following month.

Lunch receipts should be brought to the front office every day (***this also applies to elementary schools***). The daily lunch deposit should be prepared by the Lunch Clerk who brings it to the front office along with a computer printout (Deposit Slip Report) matching the deposit. The two lunchroom employees counting the lunch funds are to initial the deposit slip report.

The front office should **not** open the deposit bag nor should they make change from it. The Lunch Clerk should be the only individual to touch the lunch money.

The lunch deposit should be placed in a secure location (i.e. the school safe) until the Administrator is ready to drive to the bank. Lunch deposits should be deposited daily for high schools and at least every three days for middle and elementary schools.

For secondary schools, at month-end, the Lunch Clerk will bring a computer printout report to the Administrative Assistant with the total amount of lunch funds received for the month. This is either the *Money Reconciliation Report* or the *Historical Report-Cash & Check Receipts by Eligibility Report*. The amount on this report should match the amount in the school lunch account (program 9070). If these amounts do not match, the Administrative Assistant and the Lunch Clerk should resolve the differences together by going through each day's deposit and computer records. It is highly recommended that this reconciliation be performed every Friday or every other Friday to minimize time finding differences on the same day that the District lunch check needs to be issued.

One explanation for a difference could be a lunch refund check that the front office has issued to a parent. Lunch Clerks are no longer required to bring cash down to the front office. If this is the case, print the Account Detail Report for Program 9070, highlight the line item that shows a check was issued from this program to the family/parents, and submit it with the month-end nutrition check.

The Administrative Assistant will cut a check to the Canyons School District – Nutrition Department for the total amount due. A Monthly Activity Report for Program 9070 should be printed **every** month to accompany the school's lunch check.

As additional backup support for the month-end lunch check (to be kept at the school as support documentation), you will attach either the *Money Reconciliation Report* or the *Historical Report-Cash & Check Receipts by Eligibility Report* (both of these are ran by the Lunch Clerk).

If a student's account shows a debt, refer to Canyon's School District Policy Manual-Policy 300.11 Exhibit 1 for additional information.

Refer to the Returned (Insufficient Funds) Checks section of this manual for instructions on how to post a returned lunch check.

School Lunch Refunds

A parent may request to have a lunch balance refunded at any time. The request must be submitted on the School Lunch Refund Request Form and verified by the Lunch Clerk. **The school's front office should never issue a refund to a student or parent for lunch money unless they first verify the money was received by the Lunch Clerk (if paid in cash) and has cleared the bank (if paid by check).** A School Lunch Refund Request Form is not required if the student is leaving the school/District. When a student leaves the school/District, a Student Checkout Form is used for all fines and lunch balances.

The lunch clerk may print a Refund Receipt from their PCS Lunch Software System. This receipt shows the amount that needs to be refunded to the student. This Refund Receipt printout will also work as backup for lunch refund checks \$10 and higher. It also works as verification (**only**

when signed by the parent) that the parent received the refund for amounts under \$10 (for elementary schools). The lunch clerk or the financial secretary may give this refund back to the family.

The parent or student shall sign for cash refunds issued. Refer to the Appendix for a copy of the School Lunch Refund Request Form. The signed School Lunch Refund Request Form must be saved for three years for audit purposes. ***ALL CASH REFUNDS MUST HAVE THE PARENTS SIGNATURE (OR STUDENT'S SIGNATURE FOR SECONDARY SCHOOLS) VERIFYING THE CASH WAS RECEIVED.***

School lunch refunds exceeding the following dollar amount thresholds should be in the form of a check: (a) \$10.00 and over for elementary schools, (b) \$20.00 and over for middle schools and, (c) \$30.00 and over for high schools. The only exception to the above thresholds is for high schools at year-end when they are issuing a high volume of refunds to seniors. In this instance, all refunds over \$50.00 should be a school check.

Due to the time and effort involved in clearing a student's school lunch account and providing refunds to students at year-end; all students that are planning to return to the same school or move to a school within the District (from middle school to high school) will have their lunch balances carried forward.

Event Log History Report

Every month the Lunch Clerk will submit to the Administrative Assistant an Event Log History Report. This report will show the refunds and transfers for the month. The Administrative Assistant will review the report for high dollar and questionable transactions and contact the Accounting Department with any questions or concerns. The Event Log History Report should be kept with the monthly reports.

Career and Technical Education Class Accounts

Secondary schools offer CTE classes (e.g. art class, wood shop, automotive repair, etc.) that generally require the instructor to purchase supplies that are consumed by the students taking the class. Usually this requires the student to pay a fee to help cover the cost of consumable class supplies.

Below are guidelines that shall be followed:

- A. The instructor prepares a price list of how much to charge the students for supplies consumed. Included on this price list is the class fee that is charged and what the class fee covers. This price list is handed out to the students at the beginning of the term.

- B. The student pays the class fee at the main office. Class fees are never paid to the instructor.
- C. The student brings the receipt from the main office to the CTE instructor.
- D. The instructor logs that the student paid the amount due.
- E. An **alternative** to steps “a through d” would be to have the Administrative Assistant run a report listing all fee paid students for any given CTE class.
- F. If the student desires to do a class project that requires more than the minimal class fee, that fee must be paid for at the main office. The student will bring the receipt from the main office to the CTE instructor who logs in the amount paid.
- G. Throughout the year, the CTE Instructor, the Administrative Assistant, and the Administrator should meet to review the amounts charged for the consumable products. If the class made a profit, then the class fees should be reduced. If the class lost money, then the class fees need to be increased.

For items made or services rendered and then sold to parents or students, the amount charged should be paid at the main office. Teachers should never accept cash or checks. The main office gives the person a receipt, which then brings it to the CTE Instructor. The CTE Instructor gives the person the purchased item.

Sometimes a parent will have the school’s automotive class work on their car. The parent will pay for the parts at the school’s main office, never to the teacher. The parent returns the receipt to the shop teacher who then releases the car to the parent.

[Other Student Accounts](#)

Please call the Accounting Department if you have any questions on what program numbers are available in Skyward.

BANK RECONCILIATIONS AND MONTH-END REPORTS

Elementary Schools

All elementary schools have been converted over to the District's Accounting system and they no longer have a checking account at a local bank. They have two "deposit only" accounts – one for money collected in the office and the other one is for money collected for school lunch. These accounts do not have to be reconciled at the school; it is done at the District. As a reminder, deposits should be made every three days or twice a week. Since the checking accounts have been closed, the elementary schools no longer have any accounts in SBAA; all of the accounts are on the District's accounting system in Skyward. The principal should be reviewing the school's financial reports often, but at the least once a month. Any accounts that are in the negative should be reviewed and corrective action should be taken.

Secondary Schools

Bank accounts should be reconciled in a timely manner. The reconciliation should be completed no later than two weeks following the statement date. Timely bank reconciliations help to safeguard the school's cash resources by reviewing that the checks cashed by the bank or credit union are valid and all deposits are accounted for.

If there are any problems with the monthly reconciliation, please notify the Accounting Department for assistance.

Required reports to be included with the bank reconciliation are:

- A. Reconciliation Worksheet – an excel worksheet initialed and dated by the Administrator. The Administrator should review all attached reports supporting the numbers on this worksheet.
- B. Bank Statement – opened by the Administrator, initialed, and dated.
- C. Account Ledger Report (aka The Balance Sheet Report or the General Ledger Report). The Administrator should review the account balances on this report for accuracy each month. Programs with a continual deficit balance should be closely monitored and corrected in a timely manner.
- D. Cash Receipts Reports. This includes **both** the SBAA Receipt Report and the Fee Management Deposit Report (formally known as the Pick Report).
- E. Cleared Check Report
- F. Outstanding Check Report.
- G. Checks Voided in Future Month Report

- H. Check Request Report (aka the Check Register) - this is a **detailed** report of all checks printed for the month.
- I. Journal Entry Report
- J. Event Log History Report (from the Lunch Manager)

Bank Fees and RevTrak Fees

RevTrak and other credit card fees will be posted to 21 E LOC 2000 1090 834. Bank fees and bank supplies (deposit books, etc.) will be posted to 21 E LOC 2000 1090 610.

Interest Revenue

Any interest earned on the bank or credit union statement should be posted to the general student account. The account used will be 21 R LOC 2000 1510 999. **Only interest should be posted to this account.**

Returned (Insufficient Funds) Checks

Canyons School District has contracted with Outsource Receivables Management for all returned checks, unpaid lunch balances and unpaid student fees. A Returned Checks Authorization Form (supplied by Outsource Receivables Management) must be filled out by each school and given to their financial institution. All returned checks would go directly from the bank to Outsource.

For secondary schools, returned checks (**except returned lunch checks**) that appear on the monthly bank statement should be recorded in the school ledger as a debit to 21 E LOC 2078 1090 590. When payment on the returned check is made by Outsource the receipt in the school ledger will be a credit to 21 E LOC 2078 1090 590.

The amount in Program 2078 – Returned Checks should be zeroed out annually. The offset entry will be to Program 2000 – General.

For all schools, when an NSF check goes to Outsource the following will occur:

1. Outsource will add \$20 to the check balance and send a letter to the debtor (person responsible for the debt), *and*
2. Outsource will send an acknowledgement letter to the school administrative assistant.

The administrative assistant will then have 5 days after the date on the acknowledgement letter to contact Outsource to remove the \$20 fee and cancel the account. After the fifth day, all collections and correspondence with the debtor **must be directed** to Outsource. If a debtor contacts the administrative assistant, refer them to Outsource Receivables Management 801-399-3743 or 1-800-325-2702.

If the debtor pays the account before the 15th day from the date of the acknowledgement letter, Outsource will remit to the school, face amount of the check and \$10. Outsource will retain the other \$10.

After the 15th day from the date of the acknowledgement letter, Outsource will add another \$20 to the balance due. If the debtor pays the account without suit or legal action after the 15th day, Outsource will remit to the school, face amount of the check plus \$20. Outsource will retain the other \$20.

If the debtor refuses to pay, ignores letters, phone calls or mail is returned due to a bad address, and Outsource Receivables Management determines the account to be turned over for legal action then treble damages will be added to the account balance and they will proceed with a judgement.

Returned Lunch Check Procedures

The administrative assistant will be notified by either their financial institution and/or Outsource Collection Agency that a lunch check has been returned due to insufficient funds. The collection agency will send a letter titled: "The Following Accounts Are Assigned to Our Collection Management System".

The administrative assistant will email a copy of the notices received to Denise Gressmen in Nutrition Services. Denise will reduce the student's lunch account.

If the parent contacts the school within Outsource's 5-day window and pays cash or pays with a cashier's check, the administrative assistant will prepare a separate deposit (elementary schools must use the **lunch sub-account deposit book** not the front office sub-account deposit book) for this transaction. No entry will be made in Skyward. The administrative assistant **must** contact Denise in Nutrition Services. Denise will put the money back into the Student's Account. ***This will only work if the payment is handed directly to the administrative assistant. If payment is dropped into the school lunch "slot", we will have different issues to deal with.***

If the parent does **not** contact the school, the secondary school administrative assistant will wait until the 6th day and make the following journal entry: **Elementary schools will not make this entry.**

Debit: 21 R LOC 9070 1600 999

Credit: 21 A LOC 0000 8111 888

At the end of the month, print the month's activity report for Program 9070 and highlight or circle the return (NSF) check(s). Refer also to the **School Lunch Account** section of the manual for additional information.

Secondary School Fee Accounts Sent to Outsource Receivables Management

Unpaid student fees will be collected on a commission structure. Outsource will retain 20% of the total balance if legal action is not taken or 25% of the total balance if legal action is taken.

If a debtor contacts the administrative assistant, refer them to Outsource Receivables Management 801-399-3743 or 1-800-325-2702.

Procedures for Processing Lunch Funds Schools Receive from the District's Collection Agency

If the District's Collection Agency is successful in collecting on the NSF check, they will issue a check to the school for the bounced check and an NSF fee. These amounts will not be separated.

For Secondary Schools:

The financial secretary will enter revenue into the lunch account and the NSF fee into the general account using the cash receipt system in SBAA.

- Credit: 21 R LOC 9070 1600 999
- Credit: 21 R LOC 2000 1920 999
- Behind the scenes, cash will be increased

The secretary will make a copy of the cash receipt, highlight the line item and amount that was posted into the lunch program and give it to the lunch clerk. The lunch clerk will enter the cash receipt into the students account. The bank deposit slip that the lunch clerk fills out for that day will be off by the amount that the administrative assistant directly entered in SBAA. **NOTE:** The deposit should be off by that amount only. Call Accounting if the difference is more or if you have any questions.

Nutrition Services (student account) and the administrative assistant (Program 9070) have now added the lunch money to the appropriate accounts by the same amount so, at this point, both should still have the same month-end amount.

For Elementary Schools:

The financial secretary will post the entire check from Outsource to 51 R LOC 8001 1610 999. **Elementary schools must use the lunch clerk's deposit book.** Email a scanned copy of the check to Denise in Nutrition Services and to the school's lunch clerk.

PURCHASING

General Information & Guidelines

Schools and departments are to foster an open and transparent competitive procurement environment by gathering multiple quotes or bids prior to making purchases as required by these guidelines. Not all purchases lend themselves to a formal bidding process (building rental, banquets, etc.). However, care should be taken to select vendors who make an effort to serve public entities by competitively pricing their goods and services.

All on-going purchasing procedures and arrangements should be periodically reviewed to permit vendors the opportunity to be part of a competitive procurement process.

Each employee is expected to avoid conflicts of interest or the appearance thereof. If an employee has a personal, professional or financial relationship with a vendor, that employee should not initiate or approve any purchases with the vendor (i.e. the employee or family member(s) is an owner, creditor, debtor, employee, shareholder or member of the board for a vendor). The employee's supervisor should conduct the business in place of the employee in order to avoid a conflict of interest.

Any person acting as a procurement officer for the District or who in any official capacity participates in the procurement of any supplies, services, construction, real property, or insurance for the District shall not ask, receive, or offer to receive any emolument, gratuity, contribution, loan, reward, or any promise thereof, either for the person's own use or the use or benefit of any other person interested in the procurement item.

Certain items of equipment purchased may qualify as a fixed asset. Fixed assets must be tagged and recorded in Skyward in accordance with District guidelines. Please refer to the Fixed Assets section of this manual for additional information.

Supplies that are available in the District warehouse are not to be purchased from an outside vendor.

District and state contracts for supplies and equipment can be used when available. Contact the Purchasing Department for a list of existing contracts.

All items purchased for fundraisers are governed by District purchasing policy. Refer to the Fundraising section of this manual for additional information.

A sole source exists when it is determined that only one (1) vendor can provide a specific product or service. The Purchasing Department is responsible for approving sole source purchases.

Tagging and tracking of equipment by the Fixed Asset Department does not determine whether or not it should be charged to an equipment account. Even though it is not tagged and tracked, equipment still needs to be charged to the appropriate equipment account code (i.e. object code 730 for equipment and 731 for computer equipment). Refer to the Fixed Assets section of this manual for additional information.

Procurement Thresholds (Bid Requirements)

The total purchase of items and services costing less than five thousand dollars (\$5,000) are to be procured in accordance with the following guidelines:

DISTRICT FUNDS or SCHOOL FUNDS

LEVEL I- \$0 TO \$1,000

1. Buy from District Warehouse first.
2. District bids or state contracts should be used.
3. Competition not required; however, recommended.
4. Direct purchase by department with NPO, PO, or Purchasing Card.
5. Purchases MAY NOT be divided in order to avoid the next level.

LEVEL II - \$1,000 TO \$5,000

(This level is for secondary schools only)

1. Buy from District Warehouse first.
2. District bids or state contracts should be used.
3. A) Departments to enter a Skyward requisition with or without quotes attached. Two (2) written competitive *quotes required.
B) Schools, if making purchases from school checking account MUST maintain quote documentation. **Two (2) written competitive *quotes required.
4. Equipment \$2,000 and higher, plus items on the exception list, are to be recorded with the Fixed Asset Department.***
5. Purchases MAY NOT be divided in order to avoid the next level.

No NPO'S at this level

LEVEL III - \$5,000.01 TO \$50,000

1. Entered as a requisition on Skyward.
2. District Bids or state contracts should be used
3. Purchases MAY NOT be divided in order to avoid the next level.

Information Technology reviews all computer equipment. All music equipment is subject to review by Instructional Supports Learning Music Specialist.

*Definition of competitive quotes – Telephone call or email. Internet pricing is NOT acceptable. We recommend that you request that vendor(s) restate their telephone quote in an email.

**Please keep your written copies for audit purposes.

***Tracking does not determine whether or not it is a fixed asset. Even though it is not tracked, equipment still needs to be charged to an equipment code.

Purchasing Clarifications

- The purchase of goods and/or services under \$5,000 may be obtained using a state contract without getting bids. It will be the purchasing party's responsibility to make sure the items being purchased are covered on a state contract. A copy of the first page of the contract and the commodity code descriptions must be attached to the Requisition or school check. It is the responsibility of the schools to ensure the purchased items are listed on the contract. The first page of a State of Utah Cooperative Contract lists the commodity codes. The description of the commodity codes is found on the Summary Document.
 - If you purchase from a state contract and later need additional uniforms for a **few** additional players, Canyons policy dictates that you may go back to the same state contract, but be sure to indicate on the order the reason for ordering more uniforms so if it is audited there will be no question the order was not split.
 - If purchases of clothing (spirit packs, etc.) has been done on a purchase order and more of the "same items" have to be from the same vendor to ensure the same colors are matched, then a sole source document approved by Purchasing is required before the order is placed. The form needs to be filled out with this reason stated on it.
- Schools should use the state travel agency, selected by the District, for their travel needs without being required to get bids. Contact the Purchasing Department for the name of the company.
 - Should schools want to gather bids on travel they need to procure bids on a student-by-student cost basis or a package-by-package cost basis. No longer, will schools be asked to separate a package travel bid into flight, hotel, bus or ticket cost categories.
 - Travel under \$5,000 will follow the Level 2 guidelines of obtaining two written competitive quotes.

Please keep your written copies of quotes and bids for audit purposes. For schools, it is recommended that a copy of the bids be attached to the cancelled check along with the other supporting documentation.

Please note that it is against District policy to split purchases or otherwise artificially subdivide purchases to avoid soliciting bids. Dollar amounts are per order, not per item. Similar items that would typically be purchased at the same time from the same vendor should not be divided into multiple orders. For example, baseball team jerseys and pants should not be placed on separate orders.

Approval Process – District

The location's appropriate director or Administrator must approve all District requisitions and purchase orders for their location.

District purchase orders must also be approved by the Purchasing Department.

Please note that all computer equipment is subject to review by the Director of Information Technology and all music equipment is subject to review by the Instructional Supports Department - Music Specialist.

Approval Process - Elementary & Secondary Schools

The Administrator (or designated Assistant Administrator for secondary schools) must be aware of and approve a purchase before it happens. Faculty and staff should not assume the school will reimburse them for a purchase unless the Administrator gives **written** prior approval. This can be accomplished through the use of internal purchase requisitions or prior-approval forms (referred to as internal purchase requisitions for the remainder of this section).

All schools are required to implement an internal purchase requisition system whereby prior approval can be obtained and documented for **ALL purchases (including reimbursements for purchases made by faculty and staff with personal funds)** with the exception of purchases made with legislative funds and recurring purchases supported by an approved contract. Please note that faculty may use their legislative funds to make a purchase without obtaining prior approval.

Refer to the Appendix for a sample Internal Purchase Requisition Form. Schools may design their own internal purchase requisition form, but it must at least include all of the information contained in the sample internal purchase requisition form provided in the appendix.

- A. Internal purchase requisitions must be approved (signed) by the Administrator or designated Assistant Administrator (the Administrator) prior to procurement.
- B. Prior to signing and issuing an internal purchase requisition, the Administrator should ensure that all necessary information is listed (i.e. date, vendor, item description, price, quantity, amounts, etc.) The Administrator must sign each internal purchase requisition before remitting it to the requesting faculty or staff member.
- C. Faculty and staff should not make any purchases (with personal funds or school funds) without first obtaining a signed internal purchase requisition form.
- D. All checks issued must be supported by an invoice and an internal purchase requisition approved by the Administrator.
 - A. The only exception to this rule is purchases made with legislative funds and recurring purchases that are supported by an approved contract (e.g. vending contracts, utility bills and purified water dispenser/bottled water refills).
 - B. An invoice and a packing slip must support purchases from the internet submitted for reimbursement.
 - C. If an Administrator wishes to receive reimbursement for amounts greater than \$20, then the reimbursement must be approved by their area supervisor. Documentation of that approval needs to be attached to the back of the cancelled check.
- E. Occasionally, a faculty or staff member may need to make a purchase without being able to determine the exact cost. In these instances, the person should completely fill out the

internal purchase requisition form except for the price. In lieu of an exact price, they must write "NOT TO EXCEED \$ _____" across the bottom of the internal purchase requisition form and fill in the maximum amount the Administrator should approve. The internal purchase requisition form should then be given to the Administrator to review and approve before making the purchase. After the purchase has been completed, fill in the actual price on the form.

- F. Once the purchase is made, the employee must deliver the signed internal purchase requisition form and the invoice to the Administrative Assistant so a check can be issued to the vendor or a reimbursement check issued to the employee.
 - A. If applicable, the employee must also provide any other required supporting documentation to the Administrative Assistant at this time (i.e. documentation of 2 bids and/or packing slip)
- G. Blank internal purchase requisition forms should not be given to students or parents (i.e. booster parents).
- H. All school purchases are subject to CSD purchasing policies.

Verification of Purchases Made with District Funds

The Canyons School District strives to maintain a positive working relationship with its vendors. These guidelines are to be followed so that prompt and accurate payments are made to our vendors:

- A. Before Accounts Payable will pay a vendor invoice, proper documentation must be received from the school or department verifying that the invoiced goods were received. Verifications should take place within 1 – 2 days after receipt. Verification should include the signature of the receiving employee indicating the goods were received, the PO number, and whether the PO is now fully received (complete) or partially received (some items have not been received yet). Once verified, the individual sends the documents to Accounts Payable.
- B. In order to expedite payment, it is preferred that this verification is done on a copy of the PO by indicating which items were received and that payment can now be made. If no PO is received or if the PO is open, please verify on a packing slip (shipping documents). If neither a verified PO nor a verified packing slip is received by Accounts Payable before Accounts Payable receives the invoices for the items, the Accounts Payable clerk will send a copy of the invoice to the school or department to verify on.
- C. If there is a problem with a shipment or invoice, it is the responsibility of the school or department, **not the Accounts Payable Department**, to contact the vendor and resolve the issue. Please notify the appropriate Accounts Payable clerk of any problems that involve a delay in payment.
- D. Credit memos, should also be verified and sent to the applicable Accounts Payable clerk.
- E. If the invoice offers a discount, the verification must be completed and returned to Accounts Payable immediately so that the District can submit payment in a timely manner.

Standard (non-discount) verifications are to be completed and returned to Accounts Payable within 1 – 2 days.

- F. Please be careful to properly mark the invoice as a complete or partial payment. A partial payment means that the entire PO has NOT been shipped and received (PO will remain open). A full payment means that the PO has been shipped and received in full (PO will be closed).

Contracts

The Superintendent, Deputy Superintendent for Business Services (CFO), or their designee signs all contracts that bind Canyons School District. School principals can sign a contract or purchase agreement for less than \$2,000, if it is consistent with the District policy and procedures and as long as the vendor understands that it does not bind Canyons School District. If the contract value is greater than \$2,000, the Deputy Superintendent for Business Services (CFO) or his/her designee must approve the contract.

Under no circumstances should booster clubs, coaches, teachers or other unauthorized employees sign any type of contract that would obligate the school or District in any way or allow use of school or District logos, mascots or other tangible or intangible property.

Purchase Cards

Overview

The purpose of the purchase card (p-card) is to establish a more efficient, cost-effective method of purchasing and paying for smaller transactions. The p-card is designed to replace a variety of processes including petty cash and NPO's.

All p-cards are issued at the request of your director, supervisor or principal and only certain positions are eligible to receive one. Purchases made with your p-card are subject to review and your p-card may be suspended or revoked at any time.

To obtain a p-card please contact the Purchasing Department and attend a purchase card training.

US Bank - Access Online

All p-card holders are required to use US Bank's Access Online system to manage their cards.

Please refer to the ***Access Online Memo, US Bank Access Online Instructional Manual and the P-card Training Presentation*** for detailed information regarding important deadlines, acceptable/unacceptable card use and the use of Access Online to manage your p-card including receiving paperless statements, allocating charges and generating monthly logs. These tools along with several training videos may be found on the Accounting Webpage at: <http://www.canyonsDistrict.org/accounting/purchase-cards>.

Using Amazon to Purchase Items

- A. Please see the Purchasing Department's website for instructions on how to use Amazon to purchase items.

FUNDRAISERS

Fundraisers

Any Administrator, faculty or staff member, coach, advisor or other District employee that is involved with fundraising shall review and comply with the standards set forth in Canyons School District Policy-Administrative Regulation 200.2-5 and Utah Administrative Code R277-113. The Canyons School District policy manual is available online at <http://policy.canyonsDistrict.org>. The Utah Administrative Code is available online at www.rules.utah.gov.

The District recognizes that there are times when it may be beneficial to raise funds for specific projects and school activities. The District also recognizes its responsibility to protect students, parents and community members from undue pressures applied through fundraising efforts. The guidelines outlined in this section are intended to provide schools with the ability to raise funds without unduly pressuring students, parents and community members to support or participate in fundraising activities.

The District provides funds for specific educational functions on an equitable basis; therefore, no fundraising effort will be approved that would generate funds for the following categories:

- A. Textbooks and supplies (the purchase of)
- B. Transportation of students between school and home on a regular basis
- C. The purchase or construction of an additional classroom(s)
- D. The hiring of licensed, educational support professional or paraprofessional staff

All schools may participate annually in the following fundraisers:

- A. Two (2) school fundraisers
 - One fundraiser sponsored by the school
 - One fundraiser sponsored by the school and/or PTA. ***The PTA must submit a Fundraisers Request Form. See Below.***
 - Should a compelling financial need arise to conduct an additional fundraiser, approval must be obtained from the principal and the Superintendent or designee.
- B. Two (2) charitable fundraisers (activities sponsored by nonprofit – 501C-3 organizations).
 - Charitable fundraising will not be endorsed or sponsored on a District-wide basis.
 - Materials that advertise other charitable fundraising activities may be placed in the school office or other locations to be determined by the school administration.

- Money that is collected for a fundraiser needs to be used for its intended purpose within a reasonable amount of time. A group should never raise funds for a charitable cause and then do nothing with the donated money.

District administration will approve fundraisers that meet the guidelines listed below:

- A. A needs assessment must be conducted before a fundraiser can be approved in order to determine the amount of funds required and the methods used to raise the funds.
- B. All school fundraisers, **including PTA/PTSA fundraisers**, must be submitted in writing to the School Performance Director for review and approval via Successfund.org. All principals, head secretaries, coaches and advisors are given a Successfund account at the beginning of each school year. If you need help creating a Successfund account, contact the Public Engagement Coordinator.
- C. Only use Successfund to collect money for fundraisers. Venmo and other programs like it, should not be used to collect funds for fundraisers.
- D. The Public Engagement **Coordinator** is responsible to review and approve fundraising permits on behalf of commercial entities used for school fundraising. School personnel and the PTA may only use Foundation approved entities. School personnel may recommend potential commercial entities for review and approval by the Foundation. See Policy 200.2-5 Fundraising Activity Approval Process #7.
- E. Students must not be compelled to sell or purchase products or services and must be free to voluntarily participate without peer or group pressure. Care must be taken in awarding bonuses or prizes to individuals or groups so that students do not feel pressured into competitive selling.
- F. Students are not to miss class (instructional time) to participate in fundraisers.
- G. Charitable fundraising will not be endorsed or sponsored on a District-wide basis. Materials that advertise other charitable fundraising activities may be placed in the school office or other locations to be determined by the school administration.

School Level Fundraising Guidelines

The guidelines for elementary and middle schools vary from the guidelines for high schools. Funds raised in elementary and middle schools are primarily used to support school activities, enhance instruction and for general operational assistance. Elementary and middle school students are restricted by policy from participating in overnight travel. Subject to approval by the School Performance Director, high school students frequently raise funds for travel expenses, specialized equipment and uniforms. Due to the unique demands for

activity program funding at the high school level, high schools are allowed more opportunities to raise funds.

Elementary and Middle School Guidelines

Based on the needs assessment, one fundraiser sponsored by the school **and** one fundraiser sponsored by the school and/or PTA and two charitable fundraisers will be allowed. These fundraisers must:

- A. Be consistent with the generally accepted moral and ethical standards and practices of the Canyons District community.
- B. Be approved by the School Performance Director.
- C. Not involve door-to-door sales.
- D. Under no circumstances shall individual student fundraising goals/success be posted publicly, online, or in any public format. No student will be embarrassed, humiliated, or shamed whether a student participates or not in fundraising. Teachers/coaches may track this information privately for the purpose of incentives or prizes.

A school wide campaign to raise funds through parent, student or community donations, not involving the sale of a product or service, is considered a fundraiser and must meet all of the applicable fundraising guidelines.

Parent donations to support a specific activity (e.g. fieldtrip) in the school will be accepted and will **not** be considered a fundraiser if the following stipulations are met:

- A. Donations must not be required, but are entirely elective with regards to parent participation.
- B. Donations must not be a factor in determining if a student participates in the activity.
- C. The purpose for the donation must be in writing and approved by the school administration.
- D. Donations must be accounted for and recorded through the school office.

High School Guidelines

Based on the needs assessment, fundraisers that involve students in the sale of a product or service or the solicitation of a donation will be allowed. These fundraisers must:

- A. Be consistent with the generally accepted moral and ethical standards and practices of the Canyons District community.
- B. Be approved by the School Performance Director.

- C. Not involve door-to-door sales.
- D. Under no circumstances shall individual student fundraising goals/success be posted publicly, online, or in any public format. No student will be embarrassed, humiliated, or shamed whether a student participates or not in fundraising. Teachers/coaches may track this information privately for the purpose of incentives or prizes.

Business Partnerships

School-based business partnerships that generate revenue, products or services for the school, based on voluntary participation of students, parents and community members that do not involve students or the school in the sale of a product or service, are exempt from the level fundraising guidelines. There is not a limit to the number of partnerships a school may have, though consideration should be given to the level families are willing to support.

Like fundraising entities, business partnerships are vetted by the Canyons External Relations Department and an approved list may be found at foundation.canyonsDistrict.org.

A. Fundraiser Partnerships

1. The External Relations department, including the Canyons Education Foundation, develop partnerships with organizations for the purpose of raising funds for the schools and the Foundation. A list of these organizations is disseminated to the schools on a regular basis and is available at <https://foundation.canyonsDistrict.org/>. School personnel are required to consider these partnerships to raise funds for the school or school organizations and should only use businesses which are approved.
2. The Public Engagement Coordinator shall consult with the Superintendent or designee prior to disseminating fundraising information to schools or departments.
3. All Foundation partnership fundraisers are subject to the level fundraising guidelines.

B. Advertising Partnerships (commercial or nonprofit)

1. The Foundation and the District may not distribute advertisements to students unless there is a direct financial benefit to the District, school, or student's team/activity from the sale of the advertised product or service. All requests to distribute advertising to students must be reviewed and approved by the Public Engagement Coordinator. The Public Engagement Coordinator will approve requests using criteria that evaluate the reputation of the advertising entity and the potential for revenue to support District/school activities, among others. The local school administration is responsible to ensure that any advertising to

- be distributed to students has been approved by the Public Engagement Coordinator.
2. Canyons District adheres to strict advertising guidelines for all approved advertisements. These guidelines may be found at <https://foundation.canyonsDistrict.org/advertising/>.
 3. Advertisements from all other commercial enterprises, which align with Canyons advertising guidelines, may be placed in the school office for interested students and parents with the approval of the school administration.

Other Considerations

Fundraisers require a considerable amount of time and commitment to ensure they are monitored properly. Proceeds generated through fundraising are considered “public funds” and, therefore, must be handled in accordance with applicable Utah Code and District policy. Ultimately, the school Administrator is responsible for monitoring all aspects of a fundraiser and ensuring that faculty and staff members involved act in accordance with District policy and Utah Code.

Please be aware of the following considerations that are applicable to fundraising:

- A. Monies generated through fundraising are subject to the rules outlined in the Cash Handling section of this manual. Please remember that cash and inventory should be kept at the school in a secure area to prevent theft. All fundraising revenue must be deposited every three days in accordance with Utah Code 51-4-2.
- B. All items purchased for fundraisers are governed by the CSD purchasing policy. When multiple vendors can supply the goods or services for a fundraiser, competitive bids or written quotes should be utilized. Bids are not required for items purchased for resale to the public.
- C. Fundraising inventory should be shipped directly to the school in the Administrator’s name. Each person taking possession of fundraising items to sell, must sign that they have received the fundraising merchandise. They will be responsible for the return of the merchandise and funds received. There needs to be a weekly inventory of all fundraising product. Documentation of the weekly inventory process should be kept at the school with the advisor or coach for yearly financial review.
- D. Records must be maintained for all sales. Cash receipts should show the sale date, customer name, dollar amount, person making the sale and the number of items sold. It is recommended that high schools purchase cash registers or iPads to facilitate the sales of various items at concession stands. In addition, documentation must be maintained by the advisor or individual in charge of the fundraiser detailing the breakdown of each student’s participation - showing how much each student sold, what each student earned and what amount they remitted to the main office.

- E. A reconciliation of cash on hand, cash deposited and inventory should be performed periodically to verify all items and cash receipts are accounted for.
- F. Funds raised by students for a particular event are not refundable or transferable. For example, funds raised for the drill team will not be refunded to a student should that student drop the class, become ill, etc. If a student has raised funds for the drill team and later drops from the program, those funds raised must stay with the drill team.
- G. District employees (including coaches and volunteers) may not use fundraising activities or the proceeds thereof to further their own economic interests or to secure privileges for themselves or others – accepting donations, gifts or incentives is forbidden. Donations and fundraising proceeds must be used specifically and strictly to benefit the students.

Donations

A charitable donation is a gift made by an individual or organization to a public institution (e.g. public school) or nonprofit organization (e.g. the Foundation). Charitable donations are commonly in the form of cash or property (referred to as in-kind donations).

Charitable donations made directly to the District or individual schools are tax-deductible under section 170(c)(1) of the Internal Revenue Code. Charitable donations made to the Foundation are tax-deductible under section 501(c)(3) of the Internal Revenue Code.

Charitable donations designated by the donor to benefit themselves or a specific person are not tax-deductible.

Schools are required to send locally generated charitable donations to the Foundation if the donation received is **over \$500** or the donor requests a tax receipt. **Funds (including donations) generated by school or booster club fundraisers are exempt from this provision.**

Booster Clubs & Parent-Support Groups

The following guidelines represent Canyons School District's (CSD) policy regarding the organization and operation of booster clubs and parent-support groups. This section does not pertain to the PTA, but does apply to other groups such as theatre parents or other sport team parents that aren't a booster club.

- A. Any group organizing with the intent to promote, raise funds or provide support for any athletic or activity program within a school **must** submit an **annual** application to the school's Administrator using the Annual Booster Club/Parent-Support Group Application Form. Refer to the Appendix for a copy of the Annual Booster Club/Parent-Support Group Application Form. The application form must be filled

out by the parent representative and signed by the head coach/advisor, School Administrator and the School Performance Director.

- B. It is recommended that parents who are involved in booster clubs or parent-support groups have a child that participates in the organized sport or activity.
- C. Any booster club or parent-support group using the school's name, mascot/logo, associating itself with the school or participating in a school sponsored event (as defined by Utah Administrative Code R277-113-1) shall follow Canyons School District policy pertaining to:
 - a. Accounting
 - b. Purchasing
 - c. Fundraising
 - d. Overnight Travel
 - e. Drugs and Alcohol
 - f. Personnel Evaluation
 - g. Other Applicable Policies (as specified by District & School Administration)
- D. Booster clubs and parent-support groups must agree that **all** activities and financial transactions (cash receipts and cash disbursements) require school administration approval. All booster club and parent-support group financial transactions must be monitored and tracked through the school's general ledger (this includes fundraising of any kind, concessions and other sales).
- E. All fundraisers (this includes PTA fundraisers) must be approved by the school's Administrator and the School Performance Director prior to the fundraising event, program or activity. Concession sales will be subject to sales tax if the fundraising forms are not completed and on file at the school. **Refer to the Fundraising section of this manual for additional information.**
- F. Booster clubs and parent-support groups **are never** permitted to have a bank account separate from the school's main checking account.
- G. Checks written to the school should never be deposited into personal or non-school bank accounts.
- H. Purchases should be made in accordance with school and District policy. All purchases must be approved by the school Administrator. An Internal Purchase Requisition form must be signed by the school's Administrator **before** any purchase is made. Goods purchased for resale to the public do not need two bids.

- I. Do not spend any funds until an Internal Purchase Requisition form has been signed by the school's Administrator. Reimbursements will not be made if prior approval was not granted. Internal Purchase Requisition forms are available at the school's main office.
- J. Cash boxes and/or cash registers for fundraising activities are available at the school's main office. No outside cash boxes or registers are to be used. All money collected and unsold tickets (where applicable) needs to be counted and turned into the main office. If an Administrator or Assistant Administrator is at the location where the fundraising event is held, the cash box or register should be given to him/her at that time. Refer to the Cash Box Section in this manual for additional information. Parents should **never** take home fundraising money, cash boxes, raffle tickets, etc.
- K. All cash receipt source documents must be retained by the School. This includes all cash register Z-tapes and any other type of accounting the teacher or advisor uses to determine what was sold, how much was sold and identifies the seller.
- L. Cash receipts must be submitted to the main office on a **daily** basis. Students are to submit fundraising proceeds to the main office - not to a parent. When turning money into the main office, count the money and have an accounting of the deposited amount. Count checks and cash separately. All coins should be rolled.
- M. Student clothing and equipment is exempt from sales tax if every participant in the program is required to have the clothing. Student clothing and equipment will be waived for those students who qualify for a fee waiver.
- N. Fundraising proceeds should not be used to purchase spirit clothing for booster parents.
- O. The School's name and mascot should never be used in conjunction with any non-school related program. Two examples of non-school related programs are off-season sports and summer sports.
- P. Coaches, advisors, booster clubs and parent-support groups should never use school funds or fundraising proceeds to operate non-school sponsored athletic programs such as private summer or off-season camps/clinics. If a camp, clinic or other event falls within the definition of "school sponsored" then the event shall **not** be considered "private" and shall comply with any and all applicable Canyons School District policy and Utah Code. **Refer to the Camps & Clinics section of this manual for additional information.**

CAMPS & CLINICS (High Schools)

Guidelines

If a camp, clinic or other event falls within the definition of “school sponsored” then the event shall not be considered “private” and shall comply with any and all applicable Canyons School District policy and Utah Code.

- A. “School sponsored” means any activity, fundraising event, club, camp, clinic or other event or activity that is authorized by the District or school which supports the District or school club, activity, sport, class or program, that also satisfies at least one of the following conditions:
 - a. It is managed or supervised by the District or school, or District or school employee;
 - b. It uses the District or school’s facilities, equipment, or other school resources; or
 - c. It is supported or subsidized by public funds including the public school’s activity funds or minimum school program dollars.

Camps and clinics that fall within the definition of “school sponsored” **must** go to the following address: <https://webapps.canyonsDistrict.org/camps-clinics> . Log in and fill out the online form. This form, after being submitted, will be routed to the proper individual(s) and/or department(s) for approval.

Filling Out The Online Form

General Information is the first section of the form, which provides the Organization, School, Location, Dates, Age, etc.

Projected Revenue is the next section to be filled out. The estimated cost per participant times the number of participants is equal to the estimated revenue the camp/clinic will produce.

Projected Expenses is the next area that needs to be filled out. RevTrak is used to collect the money on-line for the camps/clinics and the processing fee has to come out of the revenue collected. This amount is calculated automatically based on the amount of revenue projected in the above section. The District requires that each camp/clinic pay for the indirect costs that are incurred when activities are held at each of its facilities. This indirect cost rate is 10% of the gross amount of the revenue less the RevTrak fees. Additional expenses such as the cost for t-shirts, hats, etc. should also be entered into this area.

Projected Payroll is the final section that needs to be entered. Each person that will be working on the camp/clinic will be entered in this area. Be sure to enter everyone that will be working on the camp/clinic because once this has been approved no more people can be added to the camp/clinic in the payroll section. Based on the employees and/or independent contractors entered, the program will calculate an estimated amount for the payroll costs. This total includes payroll benefits. The program will email each employee or independent contractor and have them agree to the terms of the camp/clinic. If there is not enough money generated from the camp/clinic, people who helped with the camp/clinic will receive a reduced amount of pay based on the amount of funds remaining after expenses are taken from the revenue collected.

Projected Balance is total revenue less the total amount of expenses. If this number is negative, the total costs exceed the total amount of projected revenue; the program will not let this camp/clinic proceed past this point. Expenses will need to be adjusted so that the Projected Balance is a positive amount. Once this has been done, the submit button will activate and can be pressed to send the form to the individual(s) and/or department(s) to be reviewed. If the activity is denied, an email will be sent to the originator to let them know. If the activity is approved, an email will be sent to the originator letting them know of the approval.

An administrative stipend may also be paid to the coach or event director for the planning, supervision and organization of the camp or clinic. The amount of the stipend for any one event and/or combination of events during a school year may not exceed the value of the coaching differential paid for that school year.

All payments made to employees in relation to these events will be made through the Payroll Department using a timesheet. Non-employee staff members working an event will be treated as independent contractors. The school must obtain a completed Form W-9 from the independent contractor and pay them in accordance with the rules outlined in the W-9 Payments section of this manual. Refer to the appendix for a copy of Form W-9.

DISTRICT REIMBURSEMENT

NPO Requisitions

When submitting NPO's for payment, they **shall** comply with the following guidelines:

1. The correct name of the vendor or person to be paid. Do not use nicknames or abbreviations.
2. The correct account number to be charged.
3. The appropriate approval. Please note that employees seeking reimbursement for purchases must have their supervisor sign the NPO.
4. The original invoice or detailed sales receipt must be attached. Please include an extra copy of the invoice to be paid because one copy is sent with the check and the other copy is retained as backup documentation.
5. Internet purchases will require an invoice and a packing slip before the NPO will be paid.
6. If the invoice is smaller than 8.5 inches by 11 inches, please tape it to a blank sheet of copy paper.
7. NPO's should be submitted for reimbursement monthly. Do not wait until year-end to submit the entire year's reimbursement. Elementary Schools that have a low volume of activity in their District Reimbursement account may submit their NPO's for reimbursement on a quarterly basis.
8. If a new vendor is being paid, a completed form W-9 must be attached to the reimbursement request.
9. Reimbursement requests from schools must have the school's check number listed somewhere on the NPO.

Failing to comply with the above guidelines will delay the processing of the NPO. The Accounting Department will return the NPO to the sender if the original source documentation and appropriate authorization is omitted.

NPO's are designed for reimbursement of the following:

1. Purchases less than \$1,000 (with original receipts attached) for both equipment and supplies.
2. Repairs that total less than \$1,000.

3. Travel, including hotel, conference registration, per diem and airfare. Original documentation and a copy of the signed travel authorization form should be attached to the NPO.
4. Subscriptions
5. Professional dues
6. Registrations

Mileage

Mileage should be submitted using one of the following methods:

1. The **Mileage Report Worksheet** which is found on the Canyons School District website under Accounting Department/Accounting Forms. This is a Microsoft Excel worksheet that calculates mileage when beginning and ending odometer readings and dates are entered.
2. The **Online Mileage Tracker** which is found on the Canyons School District website under Resources/Info for Employees/Mileage Tracker. This is an online form that calculates mileage when the beginning and ending odometer readings and dates are entered as well as pre-calculated mileage between the District offices and school sites.

Mileage Guidelines

- A. Per IRS regulations, odometer readings **must** be used. There are two exceptions to this:
 1. If you take the same trip regularly, you just have to put in the odometer readings on the first trip to document the mileage driven. For example, if you go to the bank daily to make a deposit, enter the odometer readings for the first trip. All subsequent trips to the bank will have the same number of miles without having to enter the odometer readings for each daily trip, or
 2. The District has calculated the actual mileage to/from District offices which are posted on the District website under Accounting (Mileage from District Offices Form). Because this mileage has been previously calculated, you may enter the number of miles without having the odometer readings.
- B. Only the District approved Mileage Reimbursement Request Forms (Excel and Online versions) will be accepted. The Request Form must be properly and completely filled out and signed by the employee and employee's supervisor. Incorrectly completed Mileage Reimbursement Forms will be returned for correction.

C. Mileage accumulated for legitimate business purposes, in **excess** of the number of miles to and from home is **eligible** for reimbursement.

1. Example:

Normal Workplace: Corner Canyon High

Miles **from** Home **to** CSSC **to** CCHS 16

Miles **from** Home **to** CCHS **(one way)** 5

Number of reimbursable miles 11

2. Example:

Normal Workplace: Corner Canyon High

Miles **from** Home **to** CSSC **to** USOE **to** Home 45

Miles **from** Home **to** CCHS & **back** Home **(round trip)** 8

Number of reimbursable miles 37

D. Employees eligible for District-paid mileage reimbursement include professional central office staff, Administrators, Assistant Administrators and staff whose assignments are itinerant in nature. School secretaries directed by Administrators to travel in order to conduct District or school business may receive mileage reimbursement through their school checking account.

E. **If a total day's miles traveled are less than the number of miles from home to the normal workplace, there is no reimbursement for mileage.**

F. If multiple destinations are made in one trip, list each destination. For example, if you drive from your high school to the CSSC then to another secondary school, mileage must be calculated using an odometer reading or the District mileage form.

G. Reimbursement is not paid for miles to and from home.

H. Reimbursement is not paid for miles accrued to conduct personal business.

I. **Employees who are paid a stipend to attend a conference should not claim mileage for reimbursement.**

J. Mileage Reimbursement Request Forms should be submitted on a quarterly basis unless the mileage is significant, in which case, a monthly basis is acceptable. **Please avoid submitting reimbursements for amounts under \$20 unless it is the end of the fiscal year.**

RECORD RETENTION

The following is a list of accounting records and the length of time they must be retained by the schools. After the stated time, the records may be securely destroyed (shred/burn):

	<u>Schools</u>	<u>District</u>
1099's and W-9's	4 years	4 years
Bank Reconciliations	4 years	4 years
Bank Statements	4 years	4 years
Cancelled Checks <\$20,000 (with supporting documentation)	4 years	4 years
Cancelled Checks >\$20,000 (with supporting documentation)	7 years	7 years
Deposit Slips	3 years	3 years
Fee Waiver Records	4 years	4 years
Free & Reduced Meals Applications	3 years	3 years
Fixed Asset Reports	Retain until Superseded	
General Ledger Reports	4 years	10 years
Journal Entry Reports	4 years	4 years
Lunch Records	4 years	4 years
Payroll Records - (including True Time Reports)	1 years	3-65 years
Purchase Orders & Requisitions (District & Internal)	4 years	4 Years
Receipt Registers/Ledgers/Books	4 years	4 years

Refer to Canyons School District Policy 300.2-1 for information on retaining nonfinancial student records. Additional information on financial and nonfinancial school records retention can be found at the Utah State Archives website, www.archives.state.ut.us.

Employees are reminded that District and School financial and nonfinancial records that are confidential in nature should never be disclosed or discussed with unauthorized individuals or removed from the District or School location.

TRAVEL

The Purchasing Department is responsible for all Student and Adult Travel. Please go to the District's website at www.canyonsDistrict.org. **Then select - employees>departments>purchasing>travel - for the most current versions of required travel forms.** Please refer to Canyons School District Policy- 500.23 - Student Travel, 500.24 - Student Overnight Travel, 500.25 - Field Trips, and 400.213 – Professional Development Conferences (Adult Travel).

The Purchasing Department's website has information of who to contact for student travel and adult travel. In addition, the website will have forms for all of the following travel categories:

Student Travel

- **Advisor Trip Checklist**
- **Medical Information & Parent Consent Form**
- **Responsible Adult Information**
- **Student Group Travel Quotes**
- **Student Overnight Travel Request**
- **Student Travel Insurance Request**
- **Travel Quote Approval**

Adult Travel

- **Conference Travel Expense Authorization Form**
- **Employee travel Agreement**
- **Local Conference Request**
- **Travel Request Form**

UNCLAIMED PROPERTY

The Utah Unclaimed Property Act (Section 67-67-4a) requires that a holder report to the State Treasurer property which is presumed to be abandoned or unclaimed after the stated dormancy period. For schools, unclaimed property is usually un-cashed checks.

All school checks that are outstanding as of June 30 of the **previous year** are considered unclaimed property. All unclaimed property reports and money (if you have any unclaimed property) should be received by the Accounting Department **NO** later than the second week in October. The Accounting Department will then submit to the State Treasurer's Office the entire District's unclaimed property by the November 1 annual deadline.

Unclaimed Property Guidelines

- A. Due diligence notice letters should be sent to the payee notifying them that their checks have never been cashed. These letters must be dated not more than 180 days (approximately May 5th) nor less than 60 days (approximately August 25th) prior to District's report submission. Refer to the Appendix for a template that should be used for Unclaimed Property Letters.
- B. All due diligence notices must include the following language: **"THE STATE OF UTAH REQUESTS US TO NOTIFY YOU THAT YOUR PROPERTY MAY BE TRANSFERRED TO THE CUSTODY OF THE STATE TREASURER IF YOU DO NOT CONTACT US BEFORE _____ (A DATE 30 DAYS AFTER THE DATE OF TIS NOTICE)."**
- C. If the payee's response is that the check was never received, void the check and reissue a new check.
- D. If no response is received from the payee, remove the check from the Outstanding Check List by voiding the check. When a check is voided, cash is increased and the program expense account is decreased. Pay close attention to the program expense that is decreased when checks are voided. You will use these program numbers when you issue a check to the District for unclaimed property.
- E. Once all unclaimed property has been identified, send a check for the total to the Accounting Department with a list of all un-cashed checks. The various program expenses that were decreased in "C" above will be used when coding the unclaimed property check.
- F. The list of all un-cashed checks will include the payee, payee address, check number, check date and check amount. Refer to the Appendix for a copy of the Report of Unclaimed Property. If a school does not have unclaimed property to report, please write "NONE" on the report and submit it to the Accounting Department.

Schools **may not** simply write off a check and add the money back into the school accounts just because it was never cashed. **It is illegal.** If an outstanding check should legitimately be voided, then documentation must be made as to why the check was voided.

UTAH SALES TAX

Tax Exempt Purchases

Use of the name or address of Canyons School District and/or its sales tax exempt status for making personal purchases is expressly forbidden.

The procedures associated with governmental agencies making tax exempt purchases are as follows:

- A. All purchases must have a school or District purchase order, check or voucher as evidence that the purchase is made by a government agency.
- B. An Exemption Certificate for Government & Schools (form TC-721G) must be completed and submitted to the vendor (if one is not already on file with that specific vendor). The box claiming exemption for public elementary and secondary schools must be checked and the tax ID number for the school or District must be entered in the space available. This form must be used for all tax exempt purchases and must be signed by the department director, Administrator or other authorized individual. Refer to the Appendix for a blank copy of form TC-721G.
 1. Elementary and Middle Schools are to use the Canyons School District sale tax ID number 12389689-002-STC when submitting Form TC-721G. This form can be found at – canyonsDistrict.org>employees>departments>purchasing>purchasing forms>TC-721G Utah Exemption Certificate.
 2. High schools are required to obtain and use their own sales tax ID number on form TC-721G.

Sales Tax Collection

Tax Rate

The sales tax rate is based on the location of place of business in Utah where the merchandise or service is sold (point-of-sale). The current statewide sales tax rate is combined with any additional local sales taxes imposed by cities and counties. Therefore, the sales tax rate may vary from one community to the next. If you have a question about the tax rate for your location, consult the Utah State Tax Commission website (www.tax.utah.gov).

Sales Tax License

All schools that are required to collect sales tax must have a sales tax license issued by the Utah State Tax Commission. Each school engaging in taxable sales should obtain its own license.

Applications for sales tax licenses are available online at www.tax.utah.gov. When completing an application be sure to include the proper name of the school and the name of a contact person who will be responsible for filing sales tax returns.

Once a license has been issued, preprinted returns will be mailed approximately four weeks before the return is due. However, if returns are not received the school is still responsible for obtaining blank returns and filing by the due date. Returns are required to be filed timely even if no tax is due for the period.

Filing Requirements

Filing periods are determined by the Utah State Tax Commission. If you are unsure of your filing period please contact the Utah State Tax Commission.

A tax return must be filed whether or not tax is due for a particular period. Tax records are subject to audit by the Utah State Tax Commission.

Penalties and Interest

Penalties and interest for failing to file or failing to pay are defined in Publication 58 which is available at <http://tax.utah.gov>.

What's Taxable and What's Not?

Publication 35 which is titled, "Sales Tax Information for Public and Private Elementary and Secondary Schools" provides a list of taxable and nontaxable sales at schools. Publication 35 is included in the Appendix for your reference, but it is recommended that you obtain the most current version of Publication 35 by visiting <http://tax.utah.gov>.

MISCELLANEOUS SECTION

W-9's

Schools and departments are assigned the responsibility of obtaining a completed W-9 Form for every new vendor. Payment should never be made unless a **completed** W-9 Form has been received.

Individual workers are either classified as employees or independent contractors. An individual classified as an independent contractor must complete a W-9. If payments to this individual (District-wide) reach \$600 then that money must be reported to the IRS via a 1099 form.

The recipient of the W-9 should verify that the form is completely filled out, signed and dated. A Taxpayer Identification Number (TIN) is required. A TIN can be either a Social Security Number (SSN) or an Employer Identification Number (EIN). If the school is issuing a check to a company, then the W-9 should have an EIN number on it. If the W-9 form has a SSN as the TIN then the "Name" on the form must be an individual name and not a company name.

Schools should never pay employees with a school check. An individual classified as an employee must be paid through the District Payroll Department. Schools should never hire someone as an employee without first going through the District Human Resource Department.

Refer to the Appendix for a copy of Form W-9.

Journal Entries

The easiest way to transfer actual funds from one account to another is through a journal entry. Journal entries can be confusing so extra care and attention should be given to providing a thorough and complete description of the reason for and the desired outcome of the journal entry. The Administrator of the account being debited must approve the journal entry before Accounting will process it. Checks and deposits are still necessary when transferring funds between a secondary school checking account and the District's checking account. Refer to the Appendix for a copy of the Journal Entry Request Form – used only when transferring money from one District program to another District program.

Budget Transfers

The easiest way to transfer budgeted funds from one account to another is through a budget transfer. The Administrator of the accounts affected must approve the budget transfer before the Accounting Department will process it. Refer to the Appendix for a copy of the Budget Transfer Request Form.

GRANTS

Compliance

It is the responsibility of the program administrator/director to ensure proper compliance with the requirements applicable to the grants they manage. This includes, but is not limited to, state and federal regulations and requirements as well as Super Circular – Subpart E-Cost Principles.

State & Federal Grant Reimbursements

All state and federal grant reimbursements must be prepared by the Accounting Department. The appropriate indirect costs will be added to all grants.

Fiscal Agent Agreements

Fiscal agent relationships should not be agreed to unless both the Deputy Superintendent for Business Services (CFO) and the Director of Accounting approve.

Fiscal agent arrangements typically occur when other entities ask the District to administer a grant that is not the District's grant. For example, the USOE has funds with which they either do not want to administer or cannot administer so they ask the District to oversee its use by other Districts or entities. In essence, the District acts as the middle manager. Such arrangements are costly to the District with very little, if any, benefit.

FIXED ASSETS & CAPITAL IMPROVEMENTS

Fixed Assets

Fixed asset inventory and tracking systems are an essential part of maintaining control of an organization's assets. It documents ownership and helps provide accountability for the public funds that have been entrusted to the Canyons School District. The District's fixed asset system is used to comply with State requirements, monitor and safeguard District assets, provide proof of loss from vandalism and maintain detailed records of all assets in case of a catastrophic event.

All fixed assets, as defined below, must be tagged and tracked by the school's Fixed Asset Coordinator or by the District Fixed Asset Coordinator. **School or District equipment is not to be used for personal use and should not leave school grounds.** The exceptions to the previous statement would be laptop computers, tablets, cameras and cellphones. These items may be removed temporarily from the school/District location to complete work related assignments with approval of the employee's immediate supervisor. Each school should complete an inventory count to verify fixed assets at least annually.

All fixed assets over \$2,000 and items defined as "walkables" will be tracked by the school or department and the Fixed Asset Coordinator. A "walkable" is defined as a piece of electronic equipment, or a musical instrument, costing between \$500-\$2,000 that can be easily removed from a building

Contact the District Fixed Assed Coordinator for specifics on fixed asset purchasing guidelines, tagging procedures, equipment transfers, lost or stolen equipment, equipment disposal and surplus equipment

Under no circumstances should surplus equipment be disposed of or scrapped for the monetary benefit of an individual or group of individuals. Neither should these assets be given away, discarded or destroyed. All School and District property must be disposed of through surplus procedures established by the Purchasing Department.

Capital Improvements

All capital improvements shall be coordinated by the Facilities Department to ensure all applicable purchasing policies are followed and work is completed by licensed and bonded contractors.

LEGISLATIVE CLASSROOM SUPPLY FUNDS

Canyons School District has contracted with a company called CLASSWALLET to administer the Legislative moneys that teachers receive annually. There are no purchasing cards with this company. They provide two ways for a teacher to purchase supplies.

1. The teacher can access the company's e-commerce Marketplace. This Marketplace is a network of vendors that have integrated with CLASSWALLET to allow teachers to shop for products on-line. After the teacher checks out from this Marketplace, the total amount spent will come directly out of the teacher's legislative funds. The ordered items will be shipped to the school. No sales tax is charged with this method.
2. Another way a teacher can shop for supplies, is by going to a local store and selecting the items needed for the classroom and using their own money to purchase the items. Once the items have been purchased, the teacher can login into his/her CLASSWALLET account, take a picture of the receipt with their smart phone, upload the receipt, fill in some basic information about the purchase and then submit the receipt to be reimbursed. After the request for reimbursement has been approved by the school principal, money will be deposited directly into the teacher's bank account by an ACH payment.

Each teacher is responsible for:

- Activating their own CLASSWALLET account
- Ensuring that purchases made are for allowable teaching supplies and materials
- Understanding the consequences of trying to be reimbursed for non-allowed items

Activating the CLASSWALLET Account

Each cardholder is responsible for activating their own CLASSWALLET account. Instructions will be given to each teacher on how to active their account.

Using the Legislative Funds

Acceptable Use Guidelines – Each recipient is required to ensure that purchases made using these Legislative Funds are for allowable teaching supplies and materials as defined by the Administrative Rule as follows:

- "Field trip", which means a District, or school authorized excursion for educational purposes.
- "Teaching supplies and materials", which means both expendable and nonexpendable items that are used for educational purposes by teachers in classroom activities and may include such items as:
 - paper, pencils, workbooks, notebooks, supplementary books and resources;
 - laboratory supplies, e.g. photography materials, chemicals, paints, bulbs, thread, needles, bobbins, wood, glue, sandpaper, nails and automobile parts;

- laminating supplies, chart paper, art supplies, and mounting or framing materials.

Note that “Teaching supplies and materials” should be broadly construed in so far as the materials are used by the teacher for instructional purposes or to protect the health of teachers in instructional or lab settings, or in conjunction with field trips.

Unacceptable Use Guidelines – Legislative Supply Funds may not be used for any purchase that does not meet the spirit of the Rule, would be considered an inappropriate use of public funds by a reasonable person, or for which the District does not receive a direct benefit. Specific examples would include but not be limited to:

- Personal items or services for self or family such as:
 - phone/internet/fax service
 - meals, food, and beverages
 - alcohol and other controlled substances
 - entertainment
- Travel expenses such as:
 - airfare
 - lodging
 - rental cars
 - tolls
 - parking
 - gasoline
- Registration fees
- Membership or certification fees
- Cash advances
- Gifts (including gift cards)
- Furniture
- Postage

Consequence of Funds Misuse

Misuse of Legislative Supply Funds, or any public funds, will result in:

- The teacher must reimburse the District for the misused funds
- The teacher’s remaining balance of Legislative Supply Funds being forfeited
- The Principal considering corrective discipline up to and including termination.

Tracking Individual Expenses

As individual purchases are made, each teacher is required to upload a picture of the original receipt that shows the detail of what was purchased in order to receive a reimbursement. If the teacher orders through the e-commerce store of CLASSWALLET, there is no receipt that needs to be uploaded. There is no tracking of receipts or balances, because CLASSWALLET performs all of these tasks for the teacher. The teacher can login into their account at any time and find the remaining balance of their Legislative funds. They can also view past receipts to see what items have been purchased and from which store.

Accidental Purchases

In the event a teacher accidentally uploads a receipt with items that are not appropriate and should not be reimbursed, please follow these guidelines:

- If the Principal has not yet approved the receipt for reimbursement, the teacher should access his/her account and remove the receipt from their account.
- If the Principal has approved the receipt for reimbursement, the teacher should contact the Principal and let him/her know what happen. The teacher should bring money into the school to pay for the inappropriate items. The school will forward the money on to the District and that money will be credited to the teacher's CLASSWALLET account.

Monitoring Balances

A teacher can, at any time, login into their CLASSWALLET account and view their remaining balance. In addition, they can see all the purchases they have made during the year.

Administrative Assistant Responsibilities –

- After logging into the CLASSWALLET system, the administrative assistant should do the following:
 - Review the submitted receipts for appropriateness of items purchased.
 - Compare the amount of the receipt to the amount that is requested to be reimbursed.
 - If an unacceptable item is on the receipt list, notify the Principal immediately so the receipt can be rejected for payment.
- Report staff changes to the District.
 - If a teacher terminates:
 - Contact the Accounting Department.
 - If a teacher transfers to another school in the District:
 - Notify the Accounting Department of the transfer
 - If a new teacher comes to the school and does not have an account with CLASSWALLET :
 - Notify the Accounting Department and they will make a determination of eligibility.

Principal Responsibilities

- The Principal will have to access the CLASSWALLET website and login into the system.
 - At this point, the Principal will need to review and either approve or reject the submitted receipts from teachers.
 - Reviewing receipts in a timely manner is important because the teachers will not be reimbursed until the receipts have been approved by the Principal.
 - If a receipt is rejected, the Principal can explain through the CLASSWALLET system why it was rejected and how the teacher can correct the problem.
 - It is important for the Principal to review purchases to ensure inappropriate items are not reimbursed.

End of School Year

Legislative Supply Funds will be available to be spent until 11:59 p.m. on April 30th, the accounts at CLASSWALLET will become inactive after this date. Please upload any receipts prior to this time and date.

Problems

If fraudulent activity is identified on your CLASSWALLET account:

- Contact the Accounting Department at 801-826-5341.

CANYONS SCHOOL DISTRICT

Appendix

to the
Financial Accounting Manual

Prepared by:
Accounting, Auditing and Budgeting Department

Revised
5/26/2021

Table of Contents

School Lunch Refund Request Form	1
Activity Accounting Worksheet (Concessions)	2
Activity Accounting Worksheet (Tickets)	3
Cash Box Transfer Form	4
Quotation Sheet.....	5
Internal Purchase Requisition Form.....	6
Annual Booster Club/Parent-Support Application Form	7
Fundraising Request Form	9
Sample Gift Card Tracking Form	10
Report of Unclaimed Property	11
Unclaimed Property Letter	12
Utah State Tax Commission Exemption Certificate (form TC-721G)	13
Utah State Tax Commission – Publication 35 (Sales Tax Information for Schools)	14
Form W-9	17
Journal Entry Request Form.....	21
Budget Transfer Request Form	22

Canyons School District

School Lunch Refund Request Form

Date: _____

School _____

Student ID Number _____

Student Name _____

Refund Amount \$_____

Received by (print name): _____

Student Signature: _____

If student is a minor (17 & younger), then parent or guardian must receive and sign:

Parent/Guardian Signature: _____

Notes:

School lunch refunds exceeding the following dollar amount thresholds should be in the form of a check: \$5.00 and over for elementary schools; \$10.00 and over for middle schools; \$25.00 and over for high schools. The only exception to this rule will be at year-end for high schools.

Activity Accounting Worksheet
SCHOOL NAME
CONSESSIONS

Activity: _____

Date: _____

CASH BOX: _____

Beginning Cash: \$ _____

Number of each denomination:

Amount of each denomination:

_____ CHECKS

\$ _____ CHECKS

_____ 100's

\$ _____ \$100

_____ 50's

\$ _____ \$50

_____ 20's

\$ _____ \$20

_____ 10's

\$ _____ \$10

_____ 5's

\$ _____ \$5

_____ 1's

\$ _____ \$1

_____ Gold/Susan B

\$ _____ Gold

_____ Fifty Cent Piece

\$ _____ Fifty Cent Piece

_____ Quarters

\$ _____ Quarters

_____ Dimes

\$ _____ Dimes

_____ Nickels

\$ _____ Nickels

_____ Pennies

\$ _____ Pennies

Sub-Total: \$ _____

Less Start-up Cash: \$ _____

TOTAL: \$ _____

Signature: _____

Signature: _____

(Please make sure 2 people count all monies and sign)

Comments: _____

Activity Accounting Worksheet

SCHOOL NAME

Activity: _____

Date: _____

Cash Box: _____

Beginning Cash: \$ _____

Number of each denomination:

Amount of each denomination:

_____ CHECKS	\$ _____ CHECKS
_____ 100's	\$ _____ \$100
_____ 50's	\$ _____ \$50
_____ 20's	\$ _____ \$20
_____ 10's	\$ _____ \$10
_____ 5's	\$ _____ \$5
_____ 1's	\$ _____ \$1
_____ Gold/Susan B	\$ _____ Gold/Susan B
_____ Fifty Cent Piece	\$ _____ Fifty Cent Piece
_____ Quarters	\$ _____ Quarters
_____ Dimes	\$ _____ Dimes
_____ Nickels	\$ _____ Nickels
_____ Pennies	\$ _____ Pennies

Sub-Total: \$ _____

Less Start-up cash: \$ _____

***TOTAL:** \$ _____

\$5.00 Tickets Beginning # _____ Ending # _____ Tickets Sold _____ X \$5.00 _____ = _____
(General Admission)

\$20.00 Tickets Beginning # _____ Ending # _____ Tickets Sold _____ X \$20.00 _____ = _____
(Family pass, up to 6 family members)

***Total ticket sales: \$ _____**
***TOTALS MUST MATCH**

Signature: _____ Signature: _____
 (Please make sure 2 people count all monies and sign)

Comments: _____

Canyons School District

Cash Box Transfer Form

Cash Box Number: _____ Amount: \$ _____

Date: _____

For:

Received by: _____ Signature: _____

For Office Use Only:

Administrative Assistant's Initial's: _____ (confirming all cash has been returned & accounted for)

Returning Individual's Initial's: _____ (confirming all cash has been returned & accounted for)

Canyons School District

Cash Box Transfer Form

Cash Box Number: _____ Amount: \$ _____

Date: _____

For:

Received by: _____ Signature: _____

For Office Use Only:

Administrative Assistant's Initial's: _____ (confirming all cash has been returned & accounted for)

Returning Individual's Initial's: _____ (confirming all cash has been returned & accounted for)

Canyons School District QUOTATION SHEET

(Put supplies and equipment on separate quotation sheets)

School Location _____

Purchase Order # _____

Program _____

Date Ordered _____

Prepared By _____

	Quote 1	Quote 2
Vendor		
Address		
Phone #		
Fax #		
Quotes by		
When		
State Contract/Bid #		
Terms		

QTY	U/M	ITEM DESCRIPTION	UNIT COST	EXT	UNIT COST	EXT
Deliver/Shipping Charges						
ADDED INFO			TOTAL QUOTE			

Sole Source Vendor Yes No

	Amount	All Funds
Reason:	0-\$1,000	Direct Purchase By School
	\$1,000-\$5,000	2 Phone Quotes By School
	\$5,000-\$50,000	Enter Requisition In Skyward
	\$50,000 +	Formal Bid By Purchasing, Approved By Board of Education

**ANNUAL BOOSTER CLUB/PARENT-SUPPORT GROUP
APPLICATION FORM**

School: _____ Date: _____

Name of Booster Club: _____

Mailing Address: _____ Phone: _____

Athletic/Activity Program (in support of): _____

Describe the Booster Club's Mission and Operations (attach additional sheets if necessary)

Leadership (please list the name, title and phone number for each club official/representative)
Please indicate who will be responsible to submit receipts for reimbursement.

Booster Club/Parent-Support Group plans have been discussed with the Head Coach and/or Advisor.
Name of Head Coach/Advisor: _____
Print Name Signature

By signing below, the booster club agrees to familiarize themselves with and abide by all applicable District policies and procedures and Utah Administrative Code.

Official Club Representative: _____ Date: _____

<i>Official Use Only</i>	
School Administrator: _____	Date: _____
School Performance Director: _____	Date: _____
District Athletic Compliance Director (if applicable): _____	
	Date: _____

Booster Clubs & Parent-Support Groups

The following guidelines represent Canyons School District's (CSD) policy regarding the organization and operation of booster clubs and parent-support groups.

- A. Any group organizing with the intent to promote, raise funds or provide support for any athletic or activity program within a school **must** submit an **annual** application to the school's Administrator and the District Athletic Compliance Director (if related to a school athletic program) using the Annual Booster Club/Parent-Support Group Application Form. Refer to the Appendix for a copy of the Annual Booster Club/Parent-Support Group Application Form.
- B. It is recommended that parents who are involved in booster clubs or parent-support groups have a child that participates in the organized sport or activity.
- C. Any booster club or parent-support group using the school's name, mascot/logo, associating itself with the school or participating in a school sponsored event (as defined by Utah Administrative Code R277-113-1) shall follow Canyons School District policy pertaining to:
 - a. Accounting
 - b. Purchasing
 - c. Fundraising
 - d. Overnight Travel
 - e. Drugs and Alcohol
 - f. Personnel Evaluation
 - g. Other Applicable Policies (as specified by District & School Administration)
- D. Booster clubs and parent-support groups must agree that **all** activities and financial transactions (cash receipts and cash disbursements) require school administration approval. All booster club and parent-support group financial transactions must be monitored and tracked through the school's general ledger (this includes fundraising of any kind, concessions and other sales).
- E. All fundraisers must be approved by the school's Administrator, the School Performance Director and the District Athletic Compliance Director (if applicable) prior to the fundraising event, program or activity. Concession sales will be subject to sales tax if the fundraising forms are not completed and on file at the school. Refer to the Fundraising section of this manual for additional information.
- F. Booster clubs and parent-support groups are not permitted to have a bank account separate from the school's main checking account.
- G. Checks written to the school should never be deposited into personal or non-school bank accounts.
- H. Purchases should be made in accordance with school and district policy. All purchases must be approved by the school Administrator. An Internal Purchase Requisition form must be signed by the school's Administrator **before** any purchase is made.
- I. Do not spend any funds until an Internal Purchase Requisition form has been signed by the school's Administrator. Reimbursements will not be made if prior approval was not granted. Internal Purchase Requisition forms are available at the school's main office.
- J. Cash boxes and/or cash registers for fundraising activities are available at the school's main office. No outside cash boxes or registers are to be used. All monies collected needs to be counted and turned into the main office. If an Administrator or Assistant Administrator is at the location where the fundraising event is held, the cash box or register should be given to him/her at that time. Refer to the Cash Box Section in this manual for additional information.
- K. Cash receipts must be submitted to the main office on a **daily** basis. Students are encouraged to submit fundraising proceeds to the main office, not to parents. When turning money into the main office, count the money and have an accounting of the deposited amount. Count checks and cash separately. All coins should be rolled.
- L. Student clothing and equipment is exempt from sales tax if every participant in the program is required to have the clothing. Student clothing and equipment will be waived for those students who qualify for a fee waiver. Spirit clothing is usually not required for participation in an activity and, therefore, is subject to sales tax.
- M. Fundraising proceeds should not be used to purchase spirit clothing for booster parents.
- N. Coaches, advisors, booster clubs and parent-support groups should never use school funds or fundraising proceeds to operate non-school sponsored athletic programs such as private summer or off-season camps/clinics. If a camp, clinic or other event falls within the definition of "school sponsored" then the event shall **not** be considered "private" and shall comply with any and all applicable Canyons School District policy and Utah Code. **Refer to the Camps & Clinics section of this manual for additional information.**

Canyons School District
FUNDRAISING REQUEST

School _____ Date _____

Principal _____ Organization _____

Needs Assessment

Purpose:

Funds currently available:

Amount of additional funds needed:

Additional details:

Expenditures (Be as **specific** as possible with **projected costs**.)

- 1.
- 2.
- 3.
- 4.

Total expenditures _____

If a commercial entity is being used, is it on the Foundation approved list? Yes _____ No _____

Methods of Raising Funds (Explain) Who, what, when and where.	All Contributions are Voluntary.
Note: No Door-to-Door Sales.	Anticipated Revenue

1. _____
2. _____
3. _____
4. _____

Will fundraising be used for whole group benefit or to off-set individual expenses? _____

Notice: Proceeds generated through fundraising projects are considered "public funds" and must comply with applicable Utah Code and District Policy JJE, Student Fundraising Activities. PTA/PTO fundraisers will be accounted for in their own records.

School Performance Director

Principal

Date

Date

School: keep a copy, send original to School Performance Director. The signed original will be returned to the school. Rev. 11/145

Print on School Letterhead

Date

John Doe
123 Street
City, State Zip Code

Dear John,

Our records indicate that check _____ was issued to you in the amount of \$XX.XX on *Month, Day 20xx*. Our records indicate that this check has never been cashed. Please research your records and initial the appropriate option below:

_____ The check was received and deposited into our account.

_____ Our records do not indicate receipt of this check. We believe the amount is still owed. Please void the original check and reissue a new one. The replacement check will be deposited immediately. We understand that if we later find the original check and attempt to deposit it, the check will not be honored and we will be responsible for all subsequent resulting fees.

_____ We have the original check in our possession and for whatever reason, failed to deposit it. Enclosed is the old check; please reissue a new one.

_____ Please redirect the amount of the check to Canyons School District as a DONATION. In accordance with the Unclaimed Property laws of the State of Utah, we have signed here indicating that this is our desire;_____. Please enclose the old check if it is still in your possession.

_____ The check was an error and should not have been issued.

For your convenience we have enclosed an addressed return envelope. If you have any questions please call me at 801-826-xxxx or email me at _____@canyonsdistrict.org.

Respectfully,

Signature



Utah State Tax Commission
Exemption Certificate for Governments & Schools
 (Sales, Use, Tourism and Motor Vehicle Rental Tax)

TC-721G
Rev. 3/16

Name of institution claiming exemption (purchaser)		Telephone Number	
Street Address	City	State	ZIP Code
Authorized Signature	Name (please print)	Title	
Name of Seller or Supplier:		Date	

The person signing this certificate **MUST** check the applicable box showing the basis for which the exemption is being claimed.

Email questions to taxmaster@utah.gov. You may also write or visit the Tax Commission at 210 N 1950 W, Salt Lake City, UT 84134, or call 801-297-2200 or toll free 1-800-662-4335.

DO NOT SEND THIS CERTIFICATE TO THE TAX COMMISSION
 Keep it with your records in case of an audit.

UNITED STATES GOVERNMENT OR NATIVE AMERICAN TRIBE
 I certify the tangible personal property or services purchased are to be paid directly with funds from the entity noted on this form and will be used in the exercise of essential governmental or tribal functions.
NOTE: Includes sales of tangible personal property to federally chartered credit unions. "Directly" does not include per diem, entity advances, or government reimbursements for employee credit card purchases.

CONSTRUCTION MATERIALS PURCHASED FOR SCHOOLS OR PUBLIC TRANSIT DISTRICTS
 I certify the construction materials purchased are on behalf of a public elementary or secondary school, or public transit district. I further certify the purchased construction materials will be installed or converted into real property owned by the school or public transit district.
 Name of school or public transit district: _____
 Name of project: _____

FOREIGN DIPLOMAT
 I certify the purchases are authorized by a diplomatic tax exemption card issued by the United States.
 Foreign diplomat number: _____

UTAH LOCAL GOVERNMENTS AND PUBLIC ELEMENTARY AND SECONDARY SCHOOLS
Sales Tax License No. _____
 I certify the tangible personal property or services purchased are to be paid directly with funds from the entity noted on this form and will be used in the exercise of that entity's essential functions. For construction materials, if the purchaser is a Utah local government, these construction materials will be installed or converted into real property by employees of this government entity.
CAUTION: This exemption does not apply to government or educational entities of other states and is not valid for lodging-related purchases.

UTAH STATE GOVERNMENT
Sales Tax License No. _____
 I certify the tangible personal property or services purchased are to be paid directly with funds from the entity noted on this form and will be used in the exercise of its essential functions. For construction materials, they will be installed or converted into real property by employees of this government entity.
CAUTION: This exemption does not apply to other states and is not valid for lodging-related purchases.

HEBER VALLEY HISTORIC RAILROAD
 I certify these purchases and sales are by the Heber Valley Historic Railroad Authority or its operators and are related to the operation and maintenance of the Heber Valley Historic Railroad.

To be valid this certificate must be filled in completely, including a check mark in the proper box.

A sales tax license number is required only where indicated.

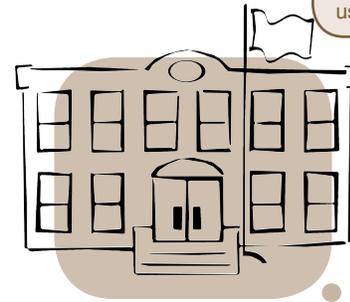
Please sign, date and, if applicable, include your license or exemption number.

NOTE TO SELLER: Keep this certificate on file since it must be available for audit review.

NOTE TO PURCHASER: Keep a copy of this certificate for your records. You must notify the seller of cancellation, modification, or limitation of the exemption you have claimed.

If you need an accommodation under the Americans with Disabilities Act, email taxada@utah.gov, or call 801-297-3811 or TDD 801-297-2020. Please allow three working days for a response.

Sales Tax Information for Public and Private and Elementary Secondary Schools



Utah State Tax Commission

210 North 1950 West
Salt Lake City, Utah 84134
(801) 297-2200
1-800-662-4335
tax.utah.gov

If you need an accommodation under the Americans with Disabilities Act, email taxada@utah.gov, or call (801) 297-3811, or TDD (801) 297-2020. Please allow three working days for a response.

Introduction

This publication provides tax information relating to public and private elementary and secondary schools. General sales and use tax information is available in Publication 25.

Tax Commission publications are reference tools. They are not all-inclusive and should not be used as legal references.

Tax laws may change due to legislative action. Changes to law will supersede any information in this publication.

Definition of School

School is defined as a public school district, a public elementary school or secondary school or a private school that provides instruction for one or more grades kindergarten through 12.

Who Must Pay or Collect Sales Tax?

Public Schools

Utah law provides for a sales tax exemption on sales or rentals to a public school. However, many sales or rentals by public schools and admissions or user fees are taxable. Exceptions are noted in this publication. The school must collect tax on its taxable sales or rentals of tangible personal property to students and the public.

To qualify as a sale made to a public school, the purchase must be made with the school's funds. A purchase does not qualify for exemption if a school employee pays for the purchase with personal funds, even if the school employee is reimbursed for the purchase by the school.

Private Schools

Sales made to or by a religious or charitable institution are exempt from sales tax if the sale is made in the conduct of the institution's regular functions or activities. To qualify for this exemption, a school must qualify under IRC §501(c)(3) and it must obtain a sales tax exemption number from the Tax Commission.

The exemption is applied at the time of sale if, at that time, a qualified school presents a current exemption certificate, and:

1. the purchase totals \$1,000 or more, or
2. the purchase, regardless of amount, is made under a contract between the seller and the school, or
3. the purchase is for public utilities.

If none of these conditions are met, the qualified school must pay sales tax at the time of purchase and may apply for a sales tax refund directly from the Tax Commission. A school may not apply for a refund more than once per month.

Private schools that do not qualify as 501(c)(3) organizations are eligible for the sales tax exemptions related to fundraisers, food sales, educational supplies and materials, transportation and clothing, as explained in this publication. Such private schools must pay sales tax on non-exempt rentals and purchases of tangible personal property (such as construction materials) and collect sales tax on non-exempt sales.

Exemption Certificate

Qualifying tax exempt purchases made by private schools must be supported by a completed form TC-721, Exemption Certificate, showing the school's sales tax number.

For public schools, a completed TC-721, purchase order or school district check may be used to support an exemption.

PTA

The Parent Teacher Association is a charitable 501(c)(3) organization whose purchases and sales are exempt from sales tax when made in the conduct of their charitable activities serving Utah's public schools.

A PTA's sales tax exemption does not extend to a third party business that sells items through the PTA, even if the PTA receives some financial benefit from the sales.

Sales Tax License

All sellers required to collect sales tax must have a sales tax license issued by the Tax Commission. The Tax Commission recommends a school district obtain the tax license and report all sales by schools within the district. However, each school engaging in taxable sales may obtain its own tax license. Apply for a license online at tap.utah.gov (Tax Commission only) or osbr.utah.gov (multiple Utah agencies), or by submitting form TC-69, Utah State Business and Tax Registration (Tax Commission only).

Taxable Transactions

The following are examples of transactions subject to sales tax:

- Sales of yearbooks, student directories, atlases, day planners and spirit packs.
- School supplies, i.e., paper, pens, paper clips, staples, etc.
- Sales from concessions stands.
- Admissions to swimming pools and charges to the public for the rental of towels, equipment or lockers (if the lockers are tangible personal property). However, charges for swimming or diving lessons are not subject to tax.
- Sales of items from a vending machine by private sellers. If the vending machine is operated by an outside seller who pays the school a commission or fee for placing the machine in the school, that seller is responsible for reporting and paying the tax.
- Charges for school pictures. If an outside photographer sells the pictures and collects payment, the photographer is responsible for collecting and paying the tax.
- Sales of supplies or rental of school equipment for community education classes.
- Book sales (other than textbooks) from outside sellers. Group orders placed through the school for students are taxable. When the school places an order with a bookseller and pays with school funds, the school must collect sales tax from the students and pay the tax.

Alternatively, if individual orders and payments are merely collected by the school and forwarded to the bookseller, the bookseller must pay the tax.

- Sales of items prepared, produced or manufactured by the students for sale to other students or the public. For example, items manufactured for sale by students in a junior achievement program or in a special class are taxable. The raw materials used as component parts or ingredients of the final taxable product may be purchased by the student or student sponsor tax free. However, to use the exemption the purchaser must get a sales tax license and file sales tax returns.

Non-taxable Transactions

The following are examples of transactions that are not taxable:

- Sales of textbooks, textbook rental fees, laboratory fees, laboratory supplies and other educational supplies required and sold to students by the school.
- Charges for student use of a school's copy machine if the copies are for use in classes or class projects.
- Sales of photocopies.

- Sales of school uniforms required by private or parochial schools and sold by the schools are exempt. Uniforms purchased directly from an outside seller are subject to sales tax.
- Charges collected and kept by a school for admissions to athletic events, school dances, school plays or other school related activities.
- Charges by a school and passed through to a nonprofit organization or association authorized by a school board or a private school's governing body to organize and direct a competitive secondary school activity.
- Participation or sign up fees for drill team, cheerleading, band, athletics and other student activities. However, if the fee includes purchase or rental of non-exempt clothing or equipment, those sales and rentals are subject to tax.
- Sales or rentals of safety equipment, fees to recondition safety equipment, or sales of clothing a student is required to wear to participate in a school-related event or activity that cannot be worn to replace ordinary clothing. If the fee for clothing and equipment can be waived under Utah fee waiver rules, it is exempt. In cases where the fee covers both non-taxable participation fees and taxable sales or rentals, the entire amount is subject to tax unless the non-taxable and taxable portions are stated separately.
- Transportation charges for official school activities.
- Fees charged to students to participate in athletic clinics or cheerleading clinics.
- Fines for overdue library books.
- Charges for advertisements in school publications.
- Charges to parents for use of a school-operated nursery taught by high school students under the supervision of a faculty member.
- Charges for parking permits.
- Charges for class schedule change fees.
- Fund-raising sales made by a school or its students are exempt if the purpose of raising funds is to purchase equipment or materials, or to provide transportation. To qualify for the exemption, the activity must meet all of the following conditions:
 1. The activity must be officially sanctioned by the school following a formal school or district policy governing fund-raising activities.
 2. The funds may not be used to directly or indirectly compensate an individual teacher or other personnel.
 3. The revenues from the fund-raiser must be deposited in a dedicated account controlled by the school or district.
- Sales of coupon books (e.g. Happenings books) by students or school organizations.
- Sales of food, food ingredients or prepared food served by a school if the net or gross revenues generated by the sales are deposited into a school or district fund dedicated to school meals.
- Sales of food, food ingredients or prepared food served by qualified religious or charitable institutions if the meals are not available to the general public, including prepaid meals that are part of a student meal plan.

- Food sales by a school from vending machines owned or leased and operated by a school if the proceeds from the sales are deposited into the school or district lunch or meal fund.
- Sales of discount cards by a school to students that enable them to make purchases from an outside seller at a discount. If the discount card is sold by the seller offering the discount, then the sale of the card is taxable.

Purchases of Construction Materials by Public Schools

Construction materials purchased by or on behalf of public school systems are exempt from sales tax if the construction materials are clearly identified and installed or converted to real property owned by the institution.

Sales tax publications provide general guidance only. They do not contain all sales or use tax laws or rules. If you need additional information, call (801) 297-7705 or 1-800-662-4335, ext. 7705 (outside the Salt Lake area), or email taxmaster@utah.gov.

Request for Taxpayer Identification Number and Certification

**Give Form to the
requester. Do not
send to the IRS.**

Print or type See Specific Instructions on page 2.	Name (as shown on your income tax return)	
	Business name/disregarded entity name, if different from above	
	Check appropriate box for federal tax classification: <input type="checkbox"/> Individual/sole proprietor <input type="checkbox"/> C Corporation <input type="checkbox"/> S Corporation <input type="checkbox"/> Partnership <input type="checkbox"/> Trust/estate <input type="checkbox"/> Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=partnership) ▶ _____ <input type="checkbox"/> Other (see instructions) ▶ _____	
	<input type="checkbox"/> Exempt payee	
	Address (number, street, and apt. or suite no.)	Requester's name and address (optional)
City, state, and ZIP code		
List account number(s) here (optional)		

Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on the "Name" line to avoid backup withholding. For individuals, this is your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the Part I instructions on page 3. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN* on page 3.

Social security number									

Note. If the account is in more than one name, see the chart on page 4 for guidelines on whose number to enter.

Employer identification number									

Part II Certification

Under penalties of perjury, I certify that:

1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me), and
2. I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding, and
3. I am a U.S. citizen or other U.S. person (defined below).

Certification instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN. See the instructions on page 4.

Sign Here	Signature of U.S. person ▶	Date ▶
------------------	----------------------------	--------

General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

Purpose of Form

A person who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) to report, for example, income paid to you, real estate transactions, mortgage interest you paid, acquisition or abandonment of secured property, cancellation of debt, or contributions you made to an IRA.

Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN to the person requesting it (the requester) and, when applicable, to:

1. Certify that the TIN you are giving is correct (or you are waiting for a number to be issued),
2. Certify that you are not subject to backup withholding, or
3. Claim exemption from backup withholding if you are a U.S. exempt payee. If applicable, you are also certifying that as a U.S. person, your allocable share of any partnership income from a U.S. trade or business is not subject to the withholding tax on foreign partners' share of effectively connected income.

Note. If a requester gives you a form other than Form W-9 to request your TIN, you must use the requester's form if it is substantially similar to this Form W-9.

Definition of a U.S. person. For federal tax purposes, you are considered a U.S. person if you are:

- An individual who is a U.S. citizen or U.S. resident alien,
- A partnership, corporation, company, or association created or organized in the United States or under the laws of the United States,
- An estate (other than a foreign estate), or
- A domestic trust (as defined in Regulations section 301.7701-7).

Special rules for partnerships. Partnerships that conduct a trade or business in the United States are generally required to pay a withholding tax on any foreign partners' share of income from such business. Further, in certain cases where a Form W-9 has not been received, a partnership is required to presume that a partner is a foreign person, and pay the withholding tax. Therefore, if you are a U.S. person that is a partner in a partnership conducting a trade or business in the United States, provide Form W-9 to the partnership to establish your U.S. status and avoid withholding on your share of partnership income.

The person who gives Form W-9 to the partnership for purposes of establishing its U.S. status and avoiding withholding on its allocable share of net income from the partnership conducting a trade or business in the United States is in the following cases:

- The U.S. owner of a disregarded entity and not the entity,
- The U.S. grantor or other owner of a grantor trust and not the trust, and
- The U.S. trust (other than a grantor trust) and not the beneficiaries of the trust.

Foreign person. If you are a foreign person, do not use Form W-9. Instead, use the appropriate Form W-8 (see Publication 515, Withholding of Tax on Nonresident Aliens and Foreign Entities).

Nonresident alien who becomes a resident alien. Generally, only a nonresident alien individual may use the terms of a tax treaty to reduce or eliminate U.S. tax on certain types of income. However, most tax treaties contain a provision known as a “saving clause.” Exceptions specified in the saving clause may permit an exemption from tax to continue for certain types of income even after the payee has otherwise become a U.S. resident alien for tax purposes.

If you are a U.S. resident alien who is relying on an exception contained in the saving clause of a tax treaty to claim an exemption from U.S. tax on certain types of income, you must attach a statement to Form W-9 that specifies the following five items:

1. The treaty country. Generally, this must be the same treaty under which you claimed exemption from tax as a nonresident alien.
2. The treaty article addressing the income.
3. The article number (or location) in the tax treaty that contains the saving clause and its exceptions.
4. The type and amount of income that qualifies for the exemption from tax.
5. Sufficient facts to justify the exemption from tax under the terms of the treaty article.

Example. Article 20 of the U.S.-China income tax treaty allows an exemption from tax for scholarship income received by a Chinese student temporarily present in the United States. Under U.S. law, this student will become a resident alien for tax purposes if his or her stay in the United States exceeds 5 calendar years. However, paragraph 2 of the first Protocol to the U.S.-China treaty (dated April 30, 1984) allows the provisions of Article 20 to continue to apply even after the Chinese student becomes a resident alien of the United States. A Chinese student who qualifies for this exception (under paragraph 2 of the first protocol) and is relying on this exception to claim an exemption from tax on his or her scholarship or fellowship income would attach to Form W-9 a statement that includes the information described above to support that exemption.

If you are a nonresident alien or a foreign entity not subject to backup withholding, give the requester the appropriate completed Form W-8.

What is backup withholding? Persons making certain payments to you must under certain conditions withhold and pay to the IRS a percentage of such payments. This is called “backup withholding.” Payments that may be subject to backup withholding include interest, tax-exempt interest, dividends, broker and barter exchange transactions, rents, royalties, nonemployee pay, and certain payments from fishing boat operators. Real estate transactions are not subject to backup withholding.

You will not be subject to backup withholding on payments you receive if you give the requester your correct TIN, make the proper certifications, and report all your taxable interest and dividends on your tax return.

Payments you receive will be subject to backup withholding if:

1. You do not furnish your TIN to the requester,
2. You do not certify your TIN when required (see the Part II instructions on page 3 for details),
3. The IRS tells the requester that you furnished an incorrect TIN,
4. The IRS tells you that you are subject to backup withholding because you did not report all your interest and dividends on your tax return (for reportable interest and dividends only), or
5. You do not certify to the requester that you are not subject to backup withholding under 4 above (for reportable interest and dividend accounts opened after 1983 only).

Certain payees and payments are exempt from backup withholding. See the instructions below and the separate Instructions for the Requester of Form W-9.

Also see *Special rules for partnerships* on page 1.

Updating Your Information

You must provide updated information to any person to whom you claimed to be an exempt payee if you are no longer an exempt payee and anticipate receiving reportable payments in the future from this person. For example, you may need to provide updated information if you are a C corporation that elects to be an S corporation, or if you no longer are tax exempt. In addition, you must furnish a new Form W-9 if the name or TIN changes for the account, for example, if the grantor of a grantor trust dies.

Penalties

Failure to furnish TIN. If you fail to furnish your correct TIN to a requester, you are subject to a penalty of \$50 for each such failure unless your failure is due to reasonable cause and not to willful neglect.

Civil penalty for false information with respect to withholding. If you make a false statement with no reasonable basis that results in no backup withholding, you are subject to a \$500 penalty.

Criminal penalty for falsifying information. Willfully falsifying certifications or affirmations may subject you to criminal penalties including fines and/or imprisonment.

Misuse of TINs. If the requester discloses or uses TINs in violation of federal law, the requester may be subject to civil and criminal penalties.

Specific Instructions

Name

If you are an individual, you must generally enter the name shown on your income tax return. However, if you have changed your last name, for instance, due to marriage without informing the Social Security Administration of the name change, enter your first name, the last name shown on your social security card, and your new last name.

If the account is in joint names, list first, and then circle, the name of the person or entity whose number you entered in Part I of the form.

Sole proprietor. Enter your individual name as shown on your income tax return on the “Name” line. You may enter your business, trade, or “doing business as (DBA)” name on the “Business name/disregarded entity name” line.

Partnership, C Corporation, or S Corporation. Enter the entity's name on the “Name” line and any business, trade, or “doing business as (DBA) name” on the “Business name/disregarded entity name” line.

Disregarded entity. Enter the owner's name on the “Name” line. The name of the entity entered on the “Name” line should never be a disregarded entity. The name on the “Name” line must be the name shown on the income tax return on which the income will be reported. For example, if a foreign LLC that is treated as a disregarded entity for U.S. federal tax purposes has a domestic owner, the domestic owner's name is required to be provided on the “Name” line. If the direct owner of the entity is also a disregarded entity, enter the first owner that is not disregarded for federal tax purposes. Enter the disregarded entity's name on the “Business name/disregarded entity name” line. If the owner of the disregarded entity is a foreign person, you must complete an appropriate Form W-8.

Note. Check the appropriate box for the federal tax classification of the person whose name is entered on the “Name” line (Individual/sole proprietor, Partnership, C Corporation, S Corporation, Trust/estate).

Limited Liability Company (LLC). If the person identified on the “Name” line is an LLC, check the “Limited liability company” box only and enter the appropriate code for the tax classification in the space provided. If you are an LLC that is treated as a partnership for federal tax purposes, enter “P” for partnership. If you are an LLC that has filed a Form 8832 or a Form 2553 to be taxed as a corporation, enter “C” for C corporation or “S” for S corporation. If you are an LLC that is disregarded as an entity separate from its owner under Regulation section 301.7701-3 (except for employment and excise tax), do not check the LLC box unless the owner of the LLC (required to be identified on the “Name” line) is another LLC that is not disregarded for federal tax purposes. If the LLC is disregarded as an entity separate from its owner, enter the appropriate tax classification of the owner identified on the “Name” line.

Other entities. Enter your business name as shown on required federal tax documents on the "Name" line. This name should match the name shown on the charter or other legal document creating the entity. You may enter any business, trade, or DBA name on the "Business name/disregarded entity name" line.

Exempt Payee

If you are exempt from backup withholding, enter your name as described above and check the appropriate box for your status, then check the "Exempt payee" box in the line following the "Business name/disregarded entity name," sign and date the form.

Generally, individuals (including sole proprietors) are not exempt from backup withholding. Corporations are exempt from backup withholding for certain payments, such as interest and dividends.

Note. If you are exempt from backup withholding, you should still complete this form to avoid possible erroneous backup withholding.

The following payees are exempt from backup withholding:

1. An organization exempt from tax under section 501(a), any IRA, or a custodial account under section 403(b)(7) if the account satisfies the requirements of section 401(f)(2),
 2. The United States or any of its agencies or instrumentalities,
 3. A state, the District of Columbia, a possession of the United States, or any of their political subdivisions or instrumentalities,
 4. A foreign government or any of its political subdivisions, agencies, or instrumentalities, or
 5. An international organization or any of its agencies or instrumentalities.
- Other payees that may be exempt from backup withholding include:
6. A corporation,
 7. A foreign central bank of issue,
 8. A dealer in securities or commodities required to register in the United States, the District of Columbia, or a possession of the United States,
 9. A futures commission merchant registered with the Commodity Futures Trading Commission,
 10. A real estate investment trust,
 11. An entity registered at all times during the tax year under the Investment Company Act of 1940,
 12. A common trust fund operated by a bank under section 584(a),
 13. A financial institution,
 14. A middleman known in the investment community as a nominee or custodian, or
 15. A trust exempt from tax under section 664 or described in section 4947.

The following chart shows types of payments that may be exempt from backup withholding. The chart applies to the exempt payees listed above, 1 through 15.

IF the payment is for . . .	THEN the payment is exempt for . . .
Interest and dividend payments	All exempt payees except for 9
Broker transactions	Exempt payees 1 through 5 and 7 through 13. Also, C corporations.
Barter exchange transactions and patronage dividends	Exempt payees 1 through 5
Payments over \$600 required to be reported and direct sales over \$5,000 ¹	Generally, exempt payees 1 through 7 ²

¹ See Form 1099-MISC, Miscellaneous Income, and its instructions.

² However, the following payments made to a corporation and reportable on Form 1099-MISC are not exempt from backup withholding: medical and health care payments, attorneys' fees, gross proceeds paid to an attorney, and payments for services paid by a federal executive agency.

Part I. Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. If you are a resident alien and you do not have and are not eligible to get an SSN, your TIN is your IRS individual taxpayer identification number (ITIN). Enter it in the social security number box. If you do not have an ITIN, see *How to get a TIN* below.

If you are a sole proprietor and you have an EIN, you may enter either your SSN or EIN. However, the IRS prefers that you use your SSN.

If you are a single-member LLC that is disregarded as an entity separate from its owner (see *Limited Liability Company (LLC)* on page 2), enter the owner's SSN (or EIN, if the owner has one). Do not enter the disregarded entity's EIN. If the LLC is classified as a corporation or partnership, enter the entity's EIN.

Note. See the chart on page 4 for further clarification of name and TIN combinations.

How to get a TIN. If you do not have a TIN, apply for one immediately. To apply for an SSN, get Form SS-5, Application for a Social Security Card, from your local Social Security Administration office or get this form online at www.ssa.gov. You may also get this form by calling 1-800-772-1213. Use Form W-7, Application for IRS Individual Taxpayer Identification Number, to apply for an ITIN, or Form SS-4, Application for Employer Identification Number, to apply for an EIN. You can apply for an EIN online by accessing the IRS website at www.irs.gov/businesses and clicking on Employer Identification Number (EIN) under Starting a Business. You can get Forms W-7 and SS-4 from the IRS by visiting IRS.gov or by calling 1-800-TAX-FORM (1-800-829-3676).

If you are asked to complete Form W-9 but do not have a TIN, write "Applied For" in the space for the TIN, sign and date the form, and give it to the requester. For interest and dividend payments, and certain payments made with respect to readily tradable instruments, generally you will have 60 days to get a TIN and give it to the requester before you are subject to backup withholding on payments. The 60-day rule does not apply to other types of payments. You will be subject to backup withholding on all such payments until you provide your TIN to the requester.

Note. Entering "Applied For" means that you have already applied for a TIN or that you intend to apply for one soon.

Caution: A disregarded domestic entity that has a foreign owner must use the appropriate Form W-8.

Part II. Certification

To establish to the withholding agent that you are a U.S. person, or resident alien, sign Form W-9. You may be requested to sign by the withholding agent even if item 1, below, and items 4 and 5 on page 4 indicate otherwise.

For a joint account, only the person whose TIN is shown in Part I should sign (when required). In the case of a disregarded entity, the person identified on the "Name" line must sign. Exempt payees, see *Exempt Payee* on page 3.

Signature requirements. Complete the certification as indicated in items 1 through 3, below, and items 4 and 5 on page 4.

1. Interest, dividend, and barter exchange accounts opened before 1984 and broker accounts considered active during 1983. You must give your correct TIN, but you do not have to sign the certification.

2. Interest, dividend, broker, and barter exchange accounts opened after 1983 and broker accounts considered inactive during 1983. You must sign the certification or backup withholding will apply. If you are subject to backup withholding and you are merely providing your correct TIN to the requester, you must cross out item 2 in the certification before signing the form.

3. Real estate transactions. You must sign the certification. You may cross out item 2 of the certification.

4. Other payments. You must give your correct TIN, but you do not have to sign the certification unless you have been notified that you have previously given an incorrect TIN. "Other payments" include payments made in the course of the requester's trade or business for rents, royalties, goods (other than bills for merchandise), medical and health care services (including payments to corporations), payments to a nonemployee for services, payments to certain fishing boat crew members and fishermen, and gross proceeds paid to attorneys (including payments to corporations).

5. Mortgage interest paid by you, acquisition or abandonment of secured property, cancellation of debt, qualified tuition program payments (under section 529), IRA, Coverdell ESA, Archer MSA or HSA contributions or distributions, and pension distributions. You must give your correct TIN, but you do not have to sign the certification.

What Name and Number To Give the Requester

For this type of account:	Give name and SSN of:
1. Individual	The individual
2. Two or more individuals (joint account)	The actual owner of the account or, if combined funds, the first individual on the account ¹
3. Custodian account of a minor (Uniform Gift to Minors Act)	The minor ²
4. a. The usual revocable savings trust (grantor is also trustee) b. So-called trust account that is not a legal or valid trust under state law	The grantor-trustee ¹ The actual owner ¹
5. Sole proprietorship or disregarded entity owned by an individual	The owner ³
6. Grantor trust filing under Optional Form 1099 Filing Method 1 (see Regulation section 1.671-4(b)(2)(i)(A))	The grantor*
For this type of account:	Give name and EIN of:
7. Disregarded entity not owned by an individual	The owner
8. A valid trust, estate, or pension trust	Legal entity ⁴
9. Corporation or LLC electing corporate status on Form 8832 or Form 2553	The corporation
10. Association, club, religious, charitable, educational, or other tax-exempt organization	The organization
11. Partnership or multi-member LLC	The partnership
12. A broker or registered nominee	The broker or nominee
13. Account with the Department of Agriculture in the name of a public entity (such as a state or local government, school district, or prison) that receives agricultural program payments	The public entity
14. Grantor trust filing under the Form 1041 Filing Method or the Optional Form 1099 Filing Method 2 (see Regulation section 1.671-4(b)(2)(i)(B))	The trust

¹ List first and circle the name of the person whose number you furnish. If only one person on a joint account has an SSN, that person's number must be furnished.

² Circle the minor's name and furnish the minor's SSN.

³ You must show your individual name and you may also enter your business or "DBA" name on the "Business name/disregarded entity" name line. You may use either your SSN or EIN (if you have one), but the IRS encourages you to use your SSN.

⁴ List first and circle the name of the trust, estate, or pension trust. (Do not furnish the TIN of the personal representative or trustee unless the legal entity itself is not designated in the account title.) Also see *Special rules for partnerships* on page 1.

*Note. Grantor also must provide a Form W-9 to trustee of trust.

Note. If no name is circled when more than one name is listed, the number will be considered to be that of the first name listed.

Secure Your Tax Records from Identity Theft

Identity theft occurs when someone uses your personal information such as your name, social security number (SSN), or other identifying information, without your permission, to commit fraud or other crimes. An identity thief may use your SSN to get a job or may file a tax return using your SSN to receive a refund.

To reduce your risk:

- Protect your SSN,
- Ensure your employer is protecting your SSN, and
- Be careful when choosing a tax preparer.

If your tax records are affected by identity theft and you receive a notice from the IRS, respond right away to the name and phone number printed on the IRS notice or letter.

If your tax records are not currently affected by identity theft but you think you are at risk due to a lost or stolen purse or wallet, questionable credit card activity or credit report, contact the IRS Identity Theft Hotline at 1-800-908-4490 or submit Form 14039.

For more information, see Publication 4535, Identity Theft Prevention and Victim Assistance.

Victims of identity theft who are experiencing economic harm or a system problem, or are seeking help in resolving tax problems that have not been resolved through normal channels, may be eligible for Taxpayer Advocate Service (TAS) assistance. You can reach TAS by calling the TAS toll-free case intake line at 1-877-777-4778 or TTY/TDD 1-800-829-4059.

Protect yourself from suspicious emails or phishing schemes.

Phishing is the creation and use of email and websites designed to mimic legitimate business emails and websites. The most common act is sending an email to a user falsely claiming to be an established legitimate enterprise in an attempt to scam the user into surrendering private information that will be used for identity theft.

The IRS does not initiate contacts with taxpayers via emails. Also, the IRS does not request personal detailed information through email or ask taxpayers for the PIN numbers, passwords, or similar secret access information for their credit card, bank, or other financial accounts.

If you receive an unsolicited email claiming to be from the IRS, forward this message to phishing@irs.gov. You may also report misuse of the IRS name, logo, or other IRS property to the Treasury Inspector General for Tax Administration at 1-800-366-4484. You can forward suspicious emails to the Federal Trade Commission at: spam@uce.gov or contact them at www.ftc.gov/idtheft or 1-877-IDTHEFT (1-877-438-4338).

Visit IRS.gov to learn more about identity theft and how to reduce your risk.

Privacy Act Notice

Section 6109 of the Internal Revenue Code requires you to provide your correct TIN to persons (including federal agencies) who are required to file information returns with the IRS to report interest, dividends, or certain other income paid to you; mortgage interest you paid; the acquisition or abandonment of secured property; the cancellation of debt; or contributions you made to an IRA, Archer MSA, or HSA. The person collecting this form uses the information on the form to file information returns with the IRS, reporting the above information. Routine uses of this information include giving it to the Department of Justice for civil and criminal litigation and to cities, states, the District of Columbia, and U.S. possessions for use in administering their laws. The information also may be disclosed to other countries under a treaty, to federal and state agencies to enforce civil and criminal laws, or to federal law enforcement and intelligence agencies to combat terrorism. You must provide your TIN whether or not you are required to file a tax return. Under section 3406, payers must generally withhold a percentage of taxable interest, dividend, and certain other payments to a payee who does not give a TIN to the payer. Certain penalties may also apply for providing false or fraudulent information.

