

# **South Texas Educational Technologies, Inc**




**Purchasing Procedures Manual  
2021-2022**

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# Responsibility of the Purchase Order Process



Save Delete

Requisition Nbr:  Retrieve

Requisition Number:  Originator: 000103 - YASIN I ANSARI Requestor: 000103 - YASIN I ANSARI Order For:  Requisition Per: 08  
 Date Request: 08-10-2021 Date Required: 08-10-2021 Reason:  Reference Nbr:   
 Sort Key/Vendor Name: OFFICE DEPOT / OFFICE DEP Shipping Addr:  Bid Category:   
 Vendor Nbr: 00192 Campus/Dept:  Bid Nbr:   
 Credit Card Code:   
 Priority: R Regular Work Order:  Freight Cost: 0.00 [Distr Freight Amt](#) Confirm Only: ☐ Attachments: ☐ Requisition Total: 0.00

Delete	Note	Item	Catalog Nbr	Description	Quantity	Unit of Issue	Unit Price	SubTotal	Commodity Code		
				Long Description			Discount %	Discount Amt	Freight Elig	Freight %	Freight Amt
	<input type="button" value="Note"/>	001	<input type="text"/>	<input type="text"/>	0.00	<input type="text"/>	0.00000	0.00		<input type="text"/>	
	<a href="#">Accounts</a>			<input type="text"/>		Y - Approved	0.00%	0.00	<input checked="" type="checkbox"/>	0.00%	0.00

Refresh Totals

Accounts for item 001

Delete	Account Code	Description	Balance Amt	Pct	Amount
No Rows					

[Refresh Totals](#)
[Calculate Percent](#)
[Calculate Amount](#)

### **Responsibilities of Originator of Requisition - Preparing a Requisition**

The person who prepares the requisition has certain responsibilities before the order is sent to the administrator, supervisor, or principal for approval. She/he is to ensure the following:

- Requisitions are entered into Ascender.
- Vendor's Name--All Board checks are made payable to the vendor's name (top line) listed on the requisition. Please ensure the proper vendor's name is selected.
- Vendor's Complete Address--The requisition must include the vendor's complete address.
- Current Budget Year -Ascender defaults to current budget year.
- Description of items, Services, Costs, and Item Numbers—Items and/or services requested are to be described clearly with correct.
- Shipping Costs--Shipping and handling costs are to be added to all requisitions. Please request quote to have shipping/freight costs.
  - If you are unable to ascertain the actual charges, type "15% Estimated Shipping and Handling"
  - If there is no shipping and handling charges, type on purchase order "Shipping and Handling Included or No Charge for shipping."
- Delivery Address--Attention of--The delivery address should include a name of a person or a specific department.
- Total Cost-- Minimum Order-- The minimum order amount for all purchase orders is \$25.00. Please try to plan and combine orders to exceed the \$25.00 limit. Please verify your figures for accuracy. Please note: The Board of Education is exempt from paying Texas Sales Tax.
- Budget Account Number--Please be sure the correct Budget Account Number is typed on the requisition. Please refer to your Chart of Accounts.
- Purchase Order Rationale Information - form asks for a written explanation as to the educational or operational need for the purchase. See details below.
- Bids - Please type the bid title for award bid of service.
- Board/Superintendent approval for conferences, workshop and any district activities requiring board approval must be in description area of requisition.
- Ordering/Following Up with Vendor- it is the responsibility of the originator to follow up with all orders and make sure that the invoices are sent to Business Office.

## Purchase Order Rationale Information

Purchase Order Rationale information shall be submitted with each requisition order (exceptions noted) to the Purchasing Coordinator. This section is located under vendor information and listed under PO reason. (If there is not enough room, you may use the comment area) Attach any forms that explain rationale with the requisition. Administrators who submit requisitions will now have to put in writing why the purchase is essential to the school district. Administrators who sign off on requisitions will now have to provide explanations on the following:

- How will students learn or benefit from the purchase?
- What educational achievement or program may be linked to the purchase?
- How is the purchase of operational value to your school/office?
- Are the goods/services purchased useful for the long term rather than immediate need?
- Have inventories been checked to determine whether there is a real need for the purchase?

The lack of information will have a great impact on the approval process.

The Purchasing Coordinator will review each requisition to ensure what is requested is essential to the school district. It has been determined that the following items are considered *non-essential*. The list is not all inclusive and may be amended throughout the school year. The Purchasing Coordinator will not approve purchase orders for the *non-essential items*.

### Non-Essential Items

- Carnival activities in schools.
- Catering- except for back-to-school nights (coffee, cookies, etc.);
- Celebration or Decorative Items - including but not limited to:
  - Balloons
  - Flowers: floral arrangements
  - Gift baskets
  - Gifts for employees; teacher appreciation
  - Greeting cards
  - T-shirts

*\*\*Exceptions may be made by the Superintendent and paid out of local funds.*

### Purchase of T-Shirts

T-shirts for students may be purchased with fund raiser monies, 461, and only when approved.

- Field Trips
- Testing (motivational)

Shirts for staff will be purchased once a year, using local funds, and will be given at the start of every school year. Any additional shirts are to be paid by staff or staff fund raisers.

**Extracurricular Activities/Field Trips**

All expenses using public funds for extracurricular activities and field trips shall be part of the instructional program and have educational value and shall be reasonable in cost. A full detailed explanation of the activity must be provided on the Purchase Order Rationale Form. Field Trip destinations must be pre-approved by the Superintendent. (Use the field trip form)

**Responsibilities of Administrator/ Supervisor or Principal**

Administrators/supervisors and principals must ensure the following before the requisition is sent to the Purchasing Coordinator.

- **Funds Available**-They must check to determine if funds are available in their budget to cover the requisitions.
- **Requisition Order Completion**-They must check to determine that items 1-12 previously noted (responsibilities of the originator) have been properly completed.
- **Approval of Requisition**-The requisition must be approved in Ascender by the Principal/Administrator/Supervisor and sent to the Purchasing Coordinator. By approving the requisition, the administrator/supervisor or principal is certifying that funds are available in the budget account line to cover the cost of the purchase.
- **Purchase Order Rationale Section**-The Purchase Order Rationale section shall be completed and noted with the requisition.
- **Receiving Copy**-Once the requisition has been approved the Purchase Order will be scanned/faxed to the originator (campus). The originator, campus, is responsible for sending the approved Purchase Order to the vendor.

**Responsibilities of the Purchasing Coordinator**

The Purchasing Coordinator reviews and determines the educational or operational value of each requisition. The Purchasing Coordinator reviews the rationale information and if satisfied approves the requisition.

If the requisition requires additional information, the Purchasing Coordinator will request additional information from the Dean of Instruction, Comptroller or whomever those purchase falls under.

Examples:

- Curriculum
- Construction

**Responsibilities of the Business Office**

To give special attention to the following areas:

**Accounts Payable**

Accounts payable will need the following information for all vendors

- W-9 Request for Taxpayer Identification number
- New Vendor Approval Form
- Vendor request form

The accounts payable will receive invoice from vendor and will attach the matching purchase order for payment. The accounts payable will then file the invoice with check and purchase so business office has all information on that vendor.

**Accountant**

If money needs to be moved from one account to another a Budget Transfer Request Form will need be sent to the Business Office Accountant.

**Responsibility of the Vendor**

The Campus Secretary will send the Purchase Order to the vendor and place order. The vendor will send merchandise to campus and invoice to Business Office. A check is prepared for the vendor once the Accounts Payable has verified all documents, and they are as follows:

- Signed Purchase Order
- Invoice
- Receiving Report/ with packing slips or receipt of delivery

**Vendor Contracts**

The award of contract to a vendor is approved by the HMPS Board of Directors or Superintendent, to authorize any employee to use the services or purchase materials from the vendor.

Items needed when submitting contract for approval are as follows:

- Contract with rationale and backup information (all information should be submitted together)
- W-9
- Background check authorization
- DPS Computerized Criminal History Verification Form

If the contract is approved, a purchase order will follow.



### **Cancellation of Purchase Orders**

All requests to cancel purchase orders must be made in writing to the Business Office. Reasons explaining the need to cancel the purchase order must be outline. The Purchasing Coordinator maintains the sole right to cancel purchase orders.

### **Technology Purchases**

Contact the Technology Department when the campus is in need of technology equipment. They will bring the campus a quote that was approved. Precede to the Purchase Order procedures.

### **Student Activity Account Purchase**

Activity funds are funds that the students have raised for a particular event. If the students raise funds, requisitions should show purchase for students.

Examples of items that may be purchased through Student Activity Accounts:

- Field Trips
- T-Shirts for students
- End of Year Celebrations

### **Bids**

If there is a need for bids, Purchasing Department will take care of that process.

Example of bids:

- Furniture
- Technology
- Construction
- Insurance

We will follow the procedure set in place by Texas Law or Federal depending on the funding at the time.

### **Quotes**

**Any purchases totaling more than \$1000 require 3 quotes. Any one item over \$500 will require 3 quotes. Any purchases over \$5000 need to be Board approved.**

Any Federal purchase will follow the EDGAR manual for the district. (EDGAR is being revised)

## Credit Card

Any campus, maintenance, and kitchen personnel **MUST** check out credit card that will be in use.

- Master Card
- Lowe's
- Home Depot
- Valero
- Business Card

### Process w/ Requisition:

- If you know the amount, create a requisition.
- Fill out this form once the requisition is approved.
- Make sure to fill out the form completely. Give as much information as possible.
- As soon as a PO is provided, you may pick up the credit card.
- Once the purchase is made, you will return the credit card and finish filling out the form.

### Process w/o Requisition:

- If you do not know the amount of the purchase, you are still required to fill out the credit card form, and then the purchase can be made.
- After returning the card, you will need to submit a requisition as soon as possible.
- Purchasing Coordinator will keep the credit card form and will attach form upon receiving the requisition.

The purpose of these processes can give accounts payable information needed if any questions arise.

## Emergency Purchases

Emergency purchases can be made without first having initiated a requisition. **After the fact requisitions are permitted for emergency purchases only.** An emergency purchase is one that would result from an eminent threat to the health, safety or welfare of students and staff. An emergency purchase also constitutes acquisition of goods or services to meet an immediate need, such as to repair a damaged building or replace broken windows. South Texas Educational Technologies, Inc. should ensure that emergency purchases do not result from improper planning rather than from a true emergency. All emergency purchases should be fully justified.

## Budget Transfers

If funds are not available for any given account code, principals and other administrators can request that a transfer be made from one account code to another. Budget transfers can only be made between account codes with the same function if using a local or state fund. If you are requesting a transfer between funds, the object code must be the same.

*A Budget Transfer Form has been created for this purpose. Once **completely** filled out, the Budget Transfer Form needs to be forwarded to the Accountant or Assistant Business Manager for posting.*

**Stop Payment Policy**

Accounts payable may take up to 30 days to process payments. Our policy states that all checks will be mailed, with no exceptions. If vendor fails to provide us with their correct mailing address and requests another check, then the \$30 fee for stopping payment on such check will be deducted from the balance owed to them. Horizon Montessori Public Schools can then issue the vendor another check to replace the original.

It is a vendor's responsibility to ensure that accurate contact information is provided to South Texas Education Technologies.

If the original check is returned to us by the post office, we will make a note of the date the check was returned and HMPS will file away the check until the vendor calls and gives us their correct address. Horizon Montessori Public Schools is not responsible for checks that are returned due to incorrect addresses. After the vendor contacts HMPS because of wrong address, another check will be issued and may take up to 30 days to process.

**Returned Check Procedures**

Checks deposited into Horizon Montessori Public Schools bank accounts may be returned for "Not Sufficient Funds" or "Account Closed". When this occurs, the Accounting Office will send copy of the returned check to the campus/department that deposited the check into HMPS's bank account. The original returned check will be filed away in a file titled "Returned Checks".

The campus/department that deposited the check is responsible to write letter to the individual that issued the check. The letter must include the following:

- The check number, amount, and date
- A copy of the returned check
- The letter must be signed by the principal

The issuer is required to contact the campus to make arrangements for payment of the returned check in dispute. Failure to contact the campus will prompt Central Office to schedule a meeting with the issuer of the check and the Superintendent.

# Requisition Process

**Requisitions**

A requisition is an internal document by which a campus or central office requests to initiate a purchase order. The request is made through our school administrative software (Ascender) for the purchase of supplies or services. All intended purchases or plans for services must go through the requisition process. Be very detailed on the requisition.

- Make sure to include who it is for
- What is being purchased
- When and where the event is
- The purpose of the purchase/trip, etc.

Make sure there is money in the account to be used. If there is not enough money in the appropriate account, then fill out a Budget Transfer Form and forward it to Central Office.

**Requisition Approval**

Requests for supplies and/or services can be requested by all the staff. The process must be initiated by the campus secretary and reviewed and approved by the principal. Subsequently, it must follow its path to the business office.

Requisitions will receive final approval from the Purchasing Coordinator. If the requisition is approved, a purchase order is issued, and the supplies can be purchased and/or services can be rendered. The purchase order process should take at most two weeks to complete. If the

Requisition is NOT approved; the person making the request cannot take any further action. The reason for return will be emailed to everyone concerned.

**Reason for Disapproving a Requisition**

A requisition will be returned to the person that initiated the request for the following reasons:

- No documentation was submitted to the Business Office
- Failure to provide sufficient information for the request
- Vendor was not approved
- The wrong account code was selected
- Availability of funds
- Requisition is missing Principal's signature
- Accuracy

# Purchase Order Process

## Purchase Order Process

A purchase order serves as a formal order for goods, materials, and services from a vendor. Once a purchase order is approved, it is obligatory that the school district remit payment to the vendor once receipt of the items has been confirmed by the campus or department. Enter/Post all received items on the Ascender receiving tab within two days of receipt.

Central office is responsible to send a copy of the purchase order to the campus or department that initiated the requisition once it is approved and signed by the Purchasing Coordinator or Comptroller. The campus or department is then responsible to the purchase order to the vendor and/or have the services rendered. The original purchase order is stored in the binder by the Purchasing Coordinator until the merchandise and invoice arrives. The purchase order, invoice and receiving report are then forwarded to Accounts Payable for payment. Packing slips must be kept at the campus and filed with copy of PO.

## AMOUNTS ENCUMBERED ON PURCHASE ORDER

Periodic audits may be conducted to review receiving internal controls. The amount encumbered on the purchase order should match the invoice amount. A 5% difference is allowed to cover unexpected shipping or other costs that may arise. Invoices that exceed the approval PO by more than 5% require payment authorization.

## OPEN PURCHASE ORDERS

The district will no longer be approving Open Purchase Orders for the campuses. The campus will have to provide a quote with the requisition and when approved they will receive a check for their purchase. The only exception for the use of an Open Purchase Order will be for Food Service for food items only.

- Sam's will no longer accept credit card; a check will be provided for purchase.

## UNAUTHORIZED PURCHASES

If a purchase has been made without a Purchase Order this will be the process to receive approval for accounts payable to issue payment for purchase.

- The Unauthorized Purchase Form along with the invoice will be submitted Alim Ansari for approval of payment.
- If the approval is given, the campus will then create requisition and follow the same process but will also attached the unauthorized purchase form from Alim Ansari.
- Purchasing Coordinator will then approve requisition and submit to Accounts Payable for final payment process.

It is the campuses responsibility to explain to the vendor the reason the process of receiving payment may take longer than usual.



# Travel Procedures

## **Travel**

All travel to conferences, trainings or workshops needs to be submitted for approval prior to making any commitments or expenses.

### **In District Travel**

The In District travel form needs to be completely filled out and submitted to the Superintendent Assistant for approval.

### **Out of Town Travel**

The Out-of-Town travel form needs to be completely filled out and submitted to Superintendent Assistant for approval.

Travel accommodations for out of valley travel is made by campus. If hotel or flight arrangements are needed, the campus will send the Purchasing Department information for the reservation. A credit card check out sheet will be sent with it. The Purchasing Department will book the travel reservations. Then the information will be sent to the campus so a requisition can be entered.

\*Note: None of this will be done without the approved travel form.

When submitting documentation for the requisition, please include all documentation/itinerary from the conference with the requisition. Lack of documentation will delay the processing of your travel check.

The following items are needed for payment processing:

- Approved purchase order
- Travel forms with appropriate signatures
- Conference confirmation
- Hotel confirmation
- Quotes for rental cars, etc.

Confirmation that the individual will be attending the event must be given to the Accounts Payable Department prior to processing the check. In the event that the individual cannot attend, and a replacement will be sent, the original per diem check must be voided and reissued to reflect the individual attending.

The check must not be cashed by someone who is not attending and given to the attendee.

Per Diem checks include meals and mileage and will be made payable to the individual attending. Per Diem amounts will be allowed if the time schedule below is followed. Per Diem amounts will still be honored, even if the conference provides the meals.

If an employee incurs more expenses than expected, a reimbursement can be made only after the requisition is approved by the Purchasing Coordinator. (Receipts required)

A district employee may be reimbursed for parking expenses incurred while traveling in a personally owned, rental vehicle, or district owned vehicle if the expenses were incurred at authorized location. The reimbursement will be issued upon return with receipts only.

All campuses have to coordinate their own travel. If several campuses are attending a conference, the principal must select a coordinator for the trip to handle all reservations and travel accommodations.

Approval of the trip requires the total cost of trip four weeks before the travel date. This will allow ample time for all requisitions to be entered and approved. The individual traveling must travel on a reimbursement basis if no documentation is received on time.

### **Per Diem Allotment**

HMPS follows all Texas State guidelines for travel.

### **Fiscal 2016- Board Approved 01-14-2016**

#### **Employees**

<b>In-State or Out-of-State Meals and Lodging</b>	<p>Refer to the GSA's federal <b>Domestic Maximum Per Diem Rates</b>.</p> <p>If the city is not listed, but the county is listed, use the rate of the county.</p> <p>For areas not listed (city or county), the rates are:</p> <ul style="list-style-type: none"> <li>• Lodging In-State: up to \$96</li> <li>• Lodging Out-of-State: up to \$100 (Aug. 1, 2021)</li> <li>• Meals In-State/Out-of-State: up to \$36 (Aug. 1, 2021)</li> <li>• Meals In-State/Out-of-State: up to \$51 (Aug. 1, 2021)</li> </ul>
<b>Automobile Mileage</b>	.56 cents per mile as of 08/01/2021

#### **Meals for an overnight stay are the following:**

- Breakfast \$12.00      must leave before 6:00am or arrive after 10:00am
  - Lunch \$12.00        must leave before 11:00am or arrive after 2:00pm
  - Dinner \$12.00      must leave before 4:00pm or arrive after 7:00pm
- Total \$36.00

#### **Mileage**

When traveling by car, mileage will be reimbursed according to the Texas Comptroller's Office. Currently the rate is \$.56 cents a mile and is subject to change. Employees may calculate the number of miles traveled by using their vehicle odometer reading or a mapping website. If several district employees are attending the same conference with the same itinerary, a company mileage/air/car rental, etc. If traveling by air, a requisition for *Business Card* must be entered by

the campus secretary or the P.O. Assistant. The airfare quotes must be submitted to central office so that the flight can be booked with the school's credit card.

### **Rental of Vehicles**

A district employee can rent a vehicle when it is more economical than providing mileage. Employee must rent the cheapest rate and not a luxury car.

### **Hotel Allotment**

An employee is entitled to be reimbursed for lodging expenses incurred on a day that the employee conducts business outside of their designated area. The maximum lodging rate allowed to be reimbursed is \$85.00 a night plus local, city and occupancy taxes, per person per night or as approved by the Superintendent (major cities offer higher government rates). Employees of the same gender and the same itinerary are expected to share a room. Individuals not wanted to share a room will only receive half of the maximum lodging reimbursement rate **(\$96)** or half of the actual cost per night, whichever is less. If an employee chooses to stay at a hotel more than the state rate, they will have to pay for the difference. HMPS is exempt from paying Texas State Hotel taxes (6%). Employee must make sure to take the Hotel Tax Exempt for. Requisitions for lodging are made directly to the hotel, and not the district employee.



# Petty Cash Procedures

**PETTY CASH PROCEDURE**

Updated 4/6/16

Petty cash accounts are established for small expenses incurred in carrying out campus activities. This fund was established to eliminate the preparation of checks for small amounts designed primarily for emergency purchases involving campus staff and/or students. Petty cash should not be used in lieu of the requisition process.

The petty cash account is composed of checks only. No cash is to be substituted or combined with the checks.

**PETTY CASH MAY NOT BE USED AND WILL NOT BE REIMBURSED FOR THE FOLLOWING:**

- Purchases of items costing greater than \$50 dollars.
  - One check for one purchase at that specific vendor (not two \$50 checks at the same vendor)
- Employee reimbursements (Use P.O. process)
  - We do not reimburse employees; use a Purchase Order.
- Personal Uses (No check cashing/personal purchases)
- Loans to employees or other persons
- Travel and entertainment – A travel log should be used for travel expenses. Such expenses include airfare, lodging, meals, conference registrations, car rentals, etc.
- Gifts to employees or students
  - This includes Teacher Appreciation, Nurses Day, etc (Use fundraiser funds for each specific purpose)
- Donations
- Flowers
- Leases and rentals
- Payments to Independent Contractors/Professional Services
- Subscriptions and periodicals
- Prizes or awards
  - This includes any student incentives.

Sales Taxes will not be reimbursed. It is your responsibility to take a tax exemption certificate with you at the time of making the purchase.

Campus Secretaries are responsible for ensuring that the Petty Cash fund is replenished. The following procedures must be followed.

- **All expenditures must have original receipts.** Send original receipts to Central Office and keep copies for record keeping and for reconciling the fund.
- Purchasers must completely fill out the Petty Cash Reimbursement Request Form and have the principal sign it. Forms that are not signed will be returned.

Insufficient Funds fees will not be paid. A Petty Cash Reconciliation Form has been created so that you can keep track of your petty cash account and avoid NSF fees.

An e-mail will be sent to both the principal and the secretary to notify them when a deposit has been made.

### **Petty Cash Expenditure Examples**

#### Unallowable:

- Purchases of items costing greater than \$50 dollars.
- Employee reimbursements (Use P.O. process)
- Personal Uses (check cashing/personal purchases)
- Loans to employees or other persons
- Travel and entertainment- A travel log should be used for travel expenses. Such expenses include airfare, lodging, meals, conference registrations, car rentals, etc.
- Gifts to employees or students
- Donations
- Flowers
- Leases and rentals
- Payments to Independent Contractors/Professional Services
- Subscriptions and periodicals
- Prizes or awards
- Food (meeting supplies - Use P.O. process)

#### Allowable:

- Shortage for small office supply
  - ream of paper
  - toner
  - #2 Pencils (testing)
  - scantrons / testing material
- Stamps
- Water Bottles (natural emergency)
- Service Calls (emergency)
  - plumbing
  - broken window



# Unauthorized Purchase

## **Unauthorized Purchases**

The district is not liable for payment of invoices when purchases of supplies or equipment were not authorized by Purchasing Coordinator/Superintendent.

If a purchase has been made without a Purchase Order this will be the process to receive approval for accounts payable to issue payment for purchase.

- The Unauthorized Purchase Form along with the invoice will be submitted to Alim Ansari for approval of payment.
- If the approval is given, the campus will then create requisition and follow the same process but will also attached the unauthorized purchase form from Alim Ansari.
- Purchasing Coordinator will then approve requisition and submit to Accounts Payable for final payment process.

It is the campuses responsibility to explain to the vendor the reason the process of receiving payment may take longer than usual.

# Accounting Codes

state matching of teacher retirement on the above state minimum contribution or the required matching amount from federal funds. Also included in this account is any employer contribution for the retired teachers' health insurance plan.

**6147****Reserved for Future State Definition**

These codes are reserved for future state designation and are not to be used by the school district.

**6148****Employee Benefits – Locally Defined (Convert to Object Code 6149 for PEIMS)**

This code is used, at the option of the school district, to classify employee benefits not defined elsewhere. For PEIMS reporting, this account is converted to Object Code 6149.

**R6149****Employee Benefits**

This code is used to classify expenditures/expenses made to provide personnel with other employee benefits not detailed above. This excludes employee contributions but includes any benefit amounts transferred to an Internal Service Fund. Any local option codes that are used at the local option are to be converted to account 6149 for PEIMS reporting.

**6150-6190****Reserved for Future State Definition**

These codes are reserved for future state designation and are not to be used by the school district.

**6200****PROFESSIONAL AND CONTRACTED SERVICES**

The major account classification is used to record expenditures/expenses for services rendered to the school district by firms, individuals and other organizations. This includes services provided by internal service funds unless the internal service fund is used to account for employee benefits. Internal service fund expenditures/expenses for employee benefits, such as health insurance, are to be classified to the appropriate code in the 6100 series of accounts.

Normally, professional and contracted services represent a complete service that is rendered for the school district, and no attempt should be made to separate labor from supplies.

**6210 Professional Services**

This code is used to classify expenditures/expenses for professional services rendered by personnel who are not on the payroll of the school district, including all related expenses covered by the professional services contract

**R6211 Legal Services**

This code is used to classify fees, associated travel and other related costs for legal services. However, legal fees, associated travel and other costs related to the collection of taxes are to be classified in account 6213, Tax Appraisal and Collection. Delinquent tax collection fees that are charged as "costs" to the taxpayer and paid to an attorney are to be treated as a liability in account 2110, Accounts Payable, not as an expenditure. All expenditures/expenses coded to object code 6211 are to be coded to function 41, General Administration.

**R6212 Audit Services**

This code is used to classify fees, associated travel and other related costs for audit services. All expenditures/expenses coded to object code 6212 are to be coded to function 41, General Administration.

**R6213 Tax Appraisal and Collection**

This code is used to classify fees, associated travel, and other related costs for the appraisal of property and the collection of taxes, including attorney fees directly related to record it's pro rata share of the administrative cost of the Consolidated Taxing District. Delinquent tax collection fees that are charged as "costs" to the taxpayer and paid to an attorney are to be treated as a liability in account 2110, Accounts Payable, not as expenditure. This code is only to be used in the General Fund.

Payments made to another governmental entity (for **appraisal costs** only) should be coded to function code 99 (Other Intergovernmental Charges); otherwise, function code 41 (General Administration) should be used for the collection of taxes.

**R6214      Lobbying (Effective fiscal year 2008/09; September 1 or July 1 depending on fiscal year end)**

This code is used to classify fees, associated travel and other related costs for lobbying services. Refer to the *Texas Ethics Commission* for guidelines regarding what is lobbying.

**6215      Reserved for Future State Definition**

This code is reserved for future state designation and is not to be used by the school district.

**6216-6218      Professional Services - Locally Defined (Convert to Object Code 6219 for PEIMS)**

These codes are used, at the option of the school district, to classify professional fees and related costs not defined elsewhere. For PEIMS reporting, these accounts are converted to Object Code 6219.

**R6219      Professional Services**

This code is used to classify expenditures/expenses for professional Services rendered by personnel who are not on the payroll of the school District. Government Code 2254.002 defines professional services to be the following:

Architecture

Optometry

This code is used to classify expenditures/expenses for tuition if a school district is under contract with public schools to provide instructional services to students. This includes payments made to school districts under Section 29.201, TEC, Public Education Grant Program, and transfer students under Section 21.082 of the TEC where one school district transfers entire grades of students to another school district.

**R6223****Student Tuition - Other than to Public Schools**

This code is used to classify expenditures/expenses for tuition if a school district is under contract with an institution of higher learning or with non-public schools to provide instructional services to students. This includes payments made to Juvenile Justice Alternative Education Programs (Function Code 95).

**R6224****Student Attendance Credits**

This code is used to classify expenditures/expenses for the purchase of tuition credits from the state or from other school districts under Subchapter 5 D and/or E, Chapter 41, *Texas Education Code* (TEC), including Career and Technology Education programs under TEC 41.125. This code may only be used with Function Code 91, Contracted Instructional Services between Public Schools.

**6225-6226****Reserved for Future State Definition**

These codes are reserved for future state designation and are not to be used by the school district.

**6227-6228****Tuition - Locally Defined (Convert to Object****Code 6229 for PEIMS**

These codes are used, at the option of the school district, to classify expenditures/expenses for tuition not specifically defined elsewhere. For PEIMS reporting, these accounts are converted to Object Code 6229.

**R6229 Tuition and Transfer Payments**

This code is used to classify expenditures/expenses for tuition and transfer payments not detailed above. Any local option codes that are used at the local option are to be converted to account 6229 for PEIMS reporting.

**6230 Education Service Center Services**

Each school district is a member of an education service center that provides various services to the school districts. The function code in conjunction with the expenditure object code defines the type of service provided.

**6231-6233 Reserved for Future State Definition**

These codes are reserved for future state designation and are not to be used by the school district.

**6234-6238 Education Service Center Services - Locally Defined  
(Convert to Object Code 6239 for PEIMS)**

These codes are used, at the option of the school district, to classify services provided by the education service center not defined elsewhere. For PEIMS reporting, these accounts are converted to Object Code 6239.

**R6239 Education Service Center Services**

This code is used to classify all contracted services provided by the education service center. Included in this account are:

- Data processing services
- Accounting services
- Media services



- Special education services
- Career and Technical education services
- Staff development
- Curriculum development
- Drug training
- Grant writing services, etc. that the education service center provides to school districts

This does not include supplies (which should be charged to the appropriate supply account) purchased under a purchasing agreement with an education service center but does include a fee assessed for providing the service. Any local option codes that are used at the local option are to be converted to account 6239 for PEIMS reporting.

## **6240 Contracted Maintenance and Repair Services**

These expenditure object codes are used to classify expenditures/expenses for maintenance and repair services rendered by firms, individuals, or other organizations, other than the school district. Maintenance and repair services are for normal upkeep, repair and minor restorations, but do not include such costs as new building construction, renovating and remodeling of buildings, etc. When contracted maintenance and repair services are rendered, the total cost of the service, including labor and parts, is to be included in the appropriate contracted services account. Maintenance contracts are to be included in the appropriate expenditure object codes defined below.

## **6241-6243 Reserved for Future State Definition**

These codes are reserved for future state designation and are not to be used by the school district.

**6244-6248      Contracted Maintenance and Repair - Locally Defined  
(Convert to Object Code 6249 for PEIMS)**

These codes are used, at the option of the school district, to classify expenditures/expenses for contracted maintenance and repair not specifically defined elsewhere. For PEIMS reporting, these accounts are converted to Object Code 6249.

**6249              Contracted Maintenance and Repair**

This code is used to classify expenditures/expenses for normal contracted maintenance and repair of items.

<b>Object 6249 Expenditures to Include:</b>	<b>Object 6249 Expenditures to Exclude:</b>
<p>This includes expenditures/expenses for normal contracted upkeep, repairs, maintenance, and renovation of:</p> <ul style="list-style-type: none"> <li>• Office equipment</li> <li>• Furniture</li> <li>• Computers</li> <li>• Copiers</li> <li>• District-owned telephone systems</li> <li>• Facsimile machines</li> <li>• Software upgrades</li> <li>• Maintenance agreement fees</li> </ul>	<ul style="list-style-type: none"> <li>• Purchase of furniture, technology equipment, software, and capital outlay items (Object 6399 or 66XX)</li> <li>• Purchase of site licenses, single user software, etc. (Object 6399, or 6659)</li> </ul>

<b>Object 6249 Expenditures to Include:</b>	<b>Object 6249 Expenditures to Exclude:</b>
<ul style="list-style-type: none"> <li>• Other equipment when the repairs are provided by an outside individual or firm</li> <li>• Buildings and grounds (janitorial/landscaping, etc.)</li> </ul>	

For vehicles, this includes expenditures/expenses for normal upkeep and contracted repair of vehicles, including buses, maintenance vehicles, driver education vehicles and any other vehicles used by school district staff or students.

For buildings and grounds, this includes expenditures/expenses for normal upkeep of buildings and grounds. This includes contracted costs of maintenance for buildings including heating, ventilation, air conditioning, and any related maintenance agreements.

Services may be provided on an on-call basis or within the terms of a maintenance agreement.

Any local option codes that are used at the local option are to be converted to account 6249 for PEIMS reporting.

#### **6250            Utilities**

Utilities are comprised of water, electricity, gas for heat, cooking and cooling, ongoing telephone (Including telecommunications and cellular telephones) and facsimile charges.

#### **6251-6254    Reserved for Future State Definition**

These codes are reserved for future state designation and are not to be used by the school district.

## **6255-6258      Utilities - Locally Defined (Convert to Object Code 6259 for PEIMS)**

These codes are used, at the option of the school district, to classify expenditures/expenses for utilities not specifically defined elsewhere. For PEIMS reporting, these accounts are converted to Object Code 6259.

### **R6259      Utilities**

This code is used to classify expenditures/expenses for utilities. All expenditures/expenses coded to object code 6259 are to be coded to either function 51, Facilities Maintenance and Operations or 81, Facilities Acquisition and Construction. This includes:

- Water, wastewater treatment, and sanitation (garbage disposal)
- Telephone services and telecommunication charges for cellular telephones, pagers, modern line charges, facsimile charges, etc.
- Electricity
- Natural gas, propane, coal and any other fuel used for the heating and cooling of buildings

Any local option codes that are used at the local option are to be converted to account 6259 for PEIMS reporting. A district may code a cellular telephone or pager to the function code of its user.

### **6260      Rentals - Operating Leases**

These codes are used to record expenditures/expenses for renting or leasing either equipment or property under operating lease agreements. Refer to the Debt section (Other Types of Debt) for further guidance.

**6261-6263      Reserved for Future State Definition**

These codes are reserved for future state designation and are not to be used by the school district.

**6264-6268      Rentals - Operating Leases - Locally Defined (Convert to Object Code 6269 for PEIMS)**

These codes are used, at the option of the school district, to classify expenditures/expenses for rentals under operating leases not specifically defined elsewhere. For PEIMS reporting, these accounts are converted to Object Code 6269.

**R6269      Rentals – Operating Leases**

This code is used to classify expenditures/expenses for other rentals - operating leases. This includes, but is not limited to, rental or lease of:

- Furniture
- Computers
- Telecommunications equipment
- Audio-visual equipment
- Vehicles (including buses)
- Land
- Buildings,
- Space in buildings
- Grounds

Any local option codes that are used at the local option are to be converted to account 6269 for PEIMS reporting.

**6270-6289      Reserved for Future State Definition**

These codes are reserved for future state designation and are not to be used by the school district.

**6290              Miscellaneous Contracted Services**

These expenditure object codes are used to classify expenditures/expenses for miscellaneous contracted services not included above.

**R6291            Consulting Services (Effective fiscal year 2008/09; September 1 or July 1 depending on fiscal year end)**

This code is used to classify expenditures/expenses for consulting services. Consulting services refer to the practice of helping districts to improve performance through analysis of existing problems and development of future plans. Consulting may involve the identification and cross-fertilization of best practices, analytical techniques, change management and coaching skills, technology implementations, strategy development, or operational improvement. Consultants often rely on their outsider's perspective to provide unbiased recommendations. They generally bring formal frameworks or methodologies to identify problems or suggest more effective or efficient ways of performing tasks. Consulting services cover all functional areas such as instruction, curriculum, and administration.

Consulting does not include a routine service/activity that is necessary to the functioning of a school district's programs, such as hiring additional people on contract to supplement present staff. It also does not apply to services provided to conduct organized activities (such as training or other similar educational activities.)

Professional services are coded to 6219.

Education Service Center services are coded to 6239.

Normal contracted maintenance and repair of items is coded to 6249.

Other miscellaneous services would be coded to 6299.

**6292-6293      Reserved for Future State Definition**

These codes are reserved for future state designation and are not to be used by the school district.

**6294-6298      Miscellaneous Contracted Services - Locally Defined (Convert to Object Code 6299 for PETH1S)**

These codes are used, at the option of the school district, to classify contracted services not defined elsewhere. For PEIMS reporting, these accounts are converted to Object Code 6299.

**R6299            Miscellaneous Contracted Services**

This code is used to classify expenditures/expenses for miscellaneous contracted services not specified elsewhere. Any local option codes that are used at the local option are to be converted to account 6299 for PEIMS reporting.

**6300            SUPPLIES AND MATERIALS**

This major classification includes all expenditures/expenses for supplies and materials.

**6310            Supplies and Materials for Maintenance and/or Operations**

This group of accounts is used to classify expenditures/expenses for supplies and materials necessary to maintain and/or operate furniture, computers, equipment (including telecommunications equipment), vehicles, grounds, and facilities of the school district. Normally expenditures/expenses in this group of accounts arise when school district employees purchase supplies for use by the school district as opposed to supplies that are provided by a contractor as part of a contracted service.

**R6311 Gasoline and Other Fuels for Vehicles (Including Buses)**

This code is used to classify expenditures/expenses for gasoline, motor oil and other fuels required for operating vehicles.

**6312-6314 Reserved for Future State Definition**

These codes are reserved for future state designation and are not to be used by the school district.

**6315-6318 Supplies for Maintenance and/or Operations - Locally Defined (Convert to Object Code 6319 for PEIMS)**

These codes are used, at the option of the school district, to classify supplies and materials for maintenance and/or operations not defined elsewhere. For PEIMS reporting, these accounts are converted to Object Code 6319.

**R6319 Supplies for Maintenance and/or Operations**

This code is used to classify expenditures/expenses for supplies and materials necessary for maintenance and/or operations not detailed above. Expenditures/expenses in this account include, but are not limited to:

- Janitorial or custodian supplies
- Building maintenance supplies for minor repairs and upkeep by maintenance staff
- Supplies for upkeep of furniture and equipment

Any local option codes that are used at the local option are to be converted to account 6319 for PEIMS reporting.



**6320 Textbooks and Other Reading Materials**

This group of accounts is used to classify expenditures/expenses for textbooks purchased by the school district and magazines, periodicals, newspapers and reference books that are placed in the classroom or in an office. Expenditures/expenses in this group of accounts do not meet the capitalization criteria.

**6321 Textbooks**

This code is used to classify expenditures/expenses for textbooks purchased by the school district and furnished free to students, certain classes or grades.

**6322-6324 Reserved for Future State Definition**

These codes are reserved for future state designation and are not to be used by the school district.

**6325-6328 Reading Materials - Locally Defined (Convert to Object Code 6329 for PEIMS)**

These codes are used, at the option of the school district, to classify reading materials that do not meet the capitalization criteria. For PEIMS these accounts are converted to Object Code 6329.

**6329 Reading Materials**

This code is used to classify all expenditures/expenses for magazine subscriptions and newspaper subscriptions that are placed in classrooms, offices or libraries whether in print or electronic format. Also included are reference books and other reading materials placed in a classroom or office that are not cataloged and controlled by the library. Additionally, this code also includes library books and media that do not meet the capitalization criteria of the school and have a per unit value of less than \$5,000 and/or a useful life of one year or less (Effective September 1, 2001). Any local option codes that are used at the

local option is to be converted to account 6329 for PEIMS reporting.

**6330      Testing Materials**

This group of accounts is used to classify expenditures/expenses for testing materials such as test booklets. Test scoring is not to be classified here, but rather, in the 6200 series of accounts, Professional and Contracted Services.

**6331-6333      Reserved for Future State Definition**

These codes are reserved for future state designation and are not to be used by the school district.

**6334-6338      Testing Materials - Locally Defined (Convert to Object Code 6339 for PEIMS)**

These codes are used, at the option of the school district, to classify testing materials. For PEIMS, these accounts are converted to Object Code 6339.

**R6339      Testing Materials**

This code is used to classify expenditures/expenses for testing materials including test booklets and study materials related to those tests. Any local option codes that are used at the local option are to be converted to account 6339 for PEIMS reporting.

**6340      Food Service and Other Resale Items**

These expenditure object codes are used to classify supplies and materials for the operation of the food service program of the school district. Also included are items for sale through vending machines, school stores, etc., that are not related to the regular food service program. These items for resale are classified in Function 36, curricular/Extracurricular Activities.

**R6341****Food**

This code is used to classify expenditures/expenses for food, including related costs such as transportation, handling, processing, etc.

**R6342****Non-Food**

This code is used to classify expenditures/expenses for non-food items such as napkins, straws, brooms, etc.

**R6343****Items for Sale**

This code is used to classify expenditures/expenses for such items as soft drinks, food, or other goods to be sold through vending machines, school stores, etc., not related to the regular food service program.

**R6344****USDA Commodities**

This code is used to classify the costs of commodities. The portion of expenditures/expenses attributed to the USDA value of commodities in this account should agree with the revenue realized in account 5923, USDA commodities for school districts that utilize the General Fund or Special Revenue Fund. For school districts utilizing an Enterprise Fund, non-operating revenue account 7954, USDA commodities is to be used.

- Purchased products for which you receive no USDA commodity equivalent. An example of products that a school would purchase commercially but would not receive as a USDA commodity would be condiments such as catsup and mustard. It is suggested that you base the inventory value for such items on the net purchase price for that item.

- USDA commodity products for which you purchase no commercial equivalent. Examples of USDA commodities that schools receive but usually do not purchase commercially include pouched salmon, frozen diced chicken and prune puree. IDHS will continue to provide you with the value of USDA commodities, which is based on the actual cost per pound.
- Products that you purchase as well as receive as commodities. Canned fruits and vegetables are examples of such products. You may base the value of these products on the net cost to purchase such products, on the commodity value provided by IDHS, or you could also use an average of weighted average of the two values.

#### **6345-6347      Reserved for Future State Definition**

These codes are reserved for future state designation and are not to be used by the school district.

#### **6348              Food Supplies - Locally Defined (Convert to Object Code for PEIMS)**

This code is used, at the option of the school district, to classify food supplies not defined above. For PEIMS, this account is converted to Object Code 6349.

#### **R6349            Food Service Supplies**

This code is used to classify miscellaneous food service supplies not specifically defined elsewhere. Any local option codes that are used at the local option are to be converted to account 6349 for PEIMS reporting.

#### **6350-6380      Reserved for Future State Definition**

These codes are reserved for future state designation and are not to be used by the school district.

**6390 Supplies and Materials - General**

These expenditure object codes are used to classify general supplies and materials not specified in other supplies and materials accounts.

**6391-6394 Reserved for Future State Definition**

These codes are reserved for future state designation and are not to be used by the school district.

**6395-6398 Supplies and Materials - Locally Defined (Convert to Object Code 6399 for PEIMS)**

These codes are used, at the option of the school district, to classify supplies and materials. For PEIMS these accounts are converted to Object Code 6399.

**R6399 General Supplies**

This code is used to classify expenditures/expenses for those items of relatively low unit cost (even though used in large quantities) necessary for the instruction process and/or for administration.

<b>Object 6399 Expenditures to Include:</b>	<b>Object 6399 Expenditures to Exclude:</b>
<p>These items include:</p> <ul style="list-style-type: none"> <li>• Consumable teaching and office items such as paper, pencils, forms, postage, etc.</li> <li>• Workbooks</li> <li>• Audio-visual aids such as</li> </ul>	<ul style="list-style-type: none"> <li>• Purchase of furniture, technology equipment, software, and capital outlay items having a per-unit cost of \$5,000 or more (Object 6639)</li> <li>• Items that don't meet the individual \$5,000 capital asset criteria, but by school district policy are defined to be a capital asset or aggregated items equal or exceed \$5,000 (example: library books) (Object 6649 or 6669)</li> </ul>

6399 Expenditures to Include:	6399 Expenditures to Exclude:
<ul style="list-style-type: none"> <li>• filmstrips, VCR tapes, CD/DVD disks, diskettes, computer tapes, software</li> <li>• Site licenses, single use software that has a per-unit cost of less than \$5,000</li> <li>• Supplies for a satellite dish and other supplies for technology</li> </ul>	

Certain items, such as software, mentioned in this definition may be recorded under the 666X account series according to local policies for capitalization. See Capital Assets section for additional clarification. Any local option codes that are used at the local option are to be converted to account 6399 for PEIMS reporting.

## **6400 OTHER OPERATING COSTS**

This major classification is used to classify expenditures/expenses for items other than Payroll Costs, Professional and Contracted Services, Supplies and Materials, Debt Service and Capital Outlay that are necessary for the operation of the school district.

### **6410 Travel, Subsistence and Stipends**

These expenditure object codes are to be used to classify travel, subsistence and stipends to both employees and non-employees.

### **R6411 Travel and Subsistence - Employee Only**

This code is used to classify the cost of transportation, meals, room, and other expenses associated with traveling on official school business. Travel expenses must conform to IRS and 2 CFR Part 225 (OMB Circular A-87) regulations. Any travel reimbursed from state funds and federal funds that are received from the Texas

Education Agency must comply with the general appropriations act.

The cost of employee travel also includes any registration fees associated with attending conferences, including seminars, in service training, etc. Membership dues are classified in account 6495, Dues.

**R6412      Travel and Subsistence – Students**

This code is used to classify the cost of transportation (rental of vans, buses and other vehicles), meals, participation fees, room, and other expenses associated with students traveling for school sponsored events. (Do not use function 34)

**R6413      Stipends - Non-Employees**

This code is used to classify stipends paid to individuals not employed by the paying agency for allowances related to and/or for participation in organizational controlled or directed activities. Expenditures/expenses relating to travel for individuals not employed by the school district should be classified in account 6419, Travel and Subsistence. Expenditures/expenses classified in this account are excluded from the calculation of indirect cost.

**6414-6416      Reserved for Future State Definition**

These codes are reserved for future state designation and are not to be used by the school district.

**6417-6418      Travel and Subsistence - Locally Defined (Convert to Object Code 6419 for PEIMS)**

These codes are used, at the option of the school district, to classify travel and subsistence not specifically defined elsewhere. For PEIMS these accounts are converted to Object Code 6419.

**6419 Travel and Subsistence - Non-Employees**

This code is used to classify the cost of transportation, meals, room and other expenses associated with traveling on official school business not specified elsewhere. This includes expenditures/expenses for the following groups:

- Travel for individuals not employed by the school district

This includes travel expenses incurred while traveling to school district authorized activities, including transportation expenditures/expenses paid:

- To parents
- For board member travel
- For individuals not employed by the paying agency for allowances related to and/or for participation in organizational controlled or directed activities

Registration fees associated with attending conferences, including seminars, in-service training, etc. are also classified in this account.

Travel expenses must conform to IRS and 2 CFR Part 225 (OMB Circular A-87) regulations and any travel reimbursed from state funds and federal funds that are received from the Texas Education Agency must comply with the general appropriations act. Any local option codes that are used at the local option are to be converted to account 6419 for PEIMS reporting.

**6420 Insurance and Bonding Costs**

This code is used to classify expenditures/expenses for insurance and bonding costs. Property insurance should be classified in Function 51, Facilities Maintenance and Operations, including building insurance and property insurance for band and athletic/UIIL equipment. Other types of insurance are to be classified in the appropriate function. For example, insurance to



cover student injuries that take place while participating in athletics are classified in Function 36, Co-curricular/Extracurricular Activities. Textbook custodian and administrative bonding expenses are classified in Function 41, General Administration. School bus driver bonding and liability insurance are classified in Function 34, Student (Pupil) Transportation.

#### **6421-6424      Reserved for Future State Definition**

These codes are reserved for future state designation and are not to be used by the school district.

#### **6425-6428      Insurance and Bonding Costs - Locally Defined (Convert to Object Code 6429 for PEIMS)**

These codes are used, at the option of the school district, to classify insurance and bonding costs. For PEIMS these accounts are converted to Object Code 6429.

#### **R6429              Insurance and Bonding Costs**

This code is used to classify costs for insurance, including property insurance, liability insurance, bonding costs, athletic insurance, etc. Any local option codes that are used at the local option are to be converted to account 6429 for PEIMS reporting.

#### **6430                Election Costs**

This code is used to classify expenditures/expenses for conducting an election. The costs of printing ballots, election officials who are not school district employees and legal notices, etc., are to be charged to this classification.

#### **6431-6433      Reserved for Future State Definition**

These codes are reserved for future state designation and are not to be used by the school district.

**6434-6438 Election Costs - Locally Defined (Convert to Object Code 6439 for PEIMS)**

These codes are used, at the option of the school district, to classify election costs. For PEIMS, these accounts are converted to Object Code 6439.

**R6439 Election Costs**

This code is used to classify expenditures/expenses to cover costs incurred in connection with elections, including election officials who are not school district employees, legal notices, etc. Any local option codes that are used at the local option are to be converted to account 6439 for PEIMS reporting.

**6440 Depreciation Expense of Proprietary and Nonexpendable Trust Funds**

This code is used to classify depreciation expense of capital assets in the Proprietary Fund Types or Nonexpendable Trust Funds of a school district. Capital assets of the Governmental Fund Types and Expendable Trust Funds are not depreciated.

**6441-6443 Reserved for Future State Definition**

These codes are reserved for future state designation and are not to be used by the school district.

**6444-6448 Depreciation Expense - Locally Defined (Convert to Object Code 6449 for PEIMS)**

These codes are used, at the option of the school district, to classify depreciation expense. For PEIMS, these accounts are converted to Object Code 6449.

### **Depreciation Expense**

This code is used to classify depreciation expense of capital assets owned by Proprietary Fund Types or Nonexpendable Trust Funds. Any local option codes that are used at the local option are to be converted to account 6449 for PEIMS reporting.

### **Reserved for Future State Definition**

#### **6450-6480**

These code classifications are reserved for future state designation and are not to be used by the school district.

### **Miscellaneous Operating Costs**

#### **6490**

This code is used to classify expenditures/expenses for operating costs not mentioned above.

#### **6491**

### **Reserved for Future State Definition**

This code is reserved for future state designation and is not to be used by the school district.

#### **R6492**

### **Payments to Fiscal Agents of Shared Services Arrangements**

This code is used to classify expenditures/expenses for amounts paid to a fiscal agent of a shared services arrangement in which the school district is a participant. The expenditure is to be classified in Function 93, Payments to Fiscal Agent/Member Districts of Shared Services Arrangements.

#### **R6493**

### **Payments to Member Districts of Shared Services Arrangements**

This code is used to classify expenditures/expenses for amounts paid to a member district of a shared services arrangement in which the school district is a participant. The expenditure is to be classified in Function 93, Payments to Fiscal Agent/Member Districts of Shared Services Arrangements.

**R6494****Reclassified Transportation Expenditures/Expenses**

This code can be used as an option to identify expenditures/expenses for transportation costs other than those incurred for the purpose of transporting students to and from school. Expenses from various expenditure object codes for salaries, fuel, etc., in Function 34 (Student Transportation) should be reclassified to this expenditure object code with the appropriate function assigned. Examples of such costs include those associated with field trips (Function 11) and co-curricular/extracurricular activities (Function 36). Identification of the costs of transporting students for any purpose other than to and from school is required under Section 34.010, TEC.

**R6495****Dues (Effective fiscal year 2008/09; September 1 or July 1 depending on fiscal year end)**

This code is used to identify expenditures/expenses for dues paid to clubs, committees, or other organizations. Examples of organizations are TASA, TASP, TASB, Lions Club, Rotary Club, local chambers of commerce and other associations. This does not include any registration fees associated with attending conferences or seminars, which are coded to account 6411. Dues paid on behalf of an employee should be coded to that employee's function code; dues paid on behalf of the district should be coded to function 41. Prior to this change, dues were included in object code 6499.

**6496****Reserved for Future State Definition**

This code is reserved for future state designation and is not to be used by the school district.

**6497-6498      Miscellaneous Operating Costs - Locally Defined (Convert to Object Code 6499 for PEIMS)**

These codes are used, at the option of the school district, to classify miscellaneous operating costs. For PEIMS, these accounts are converted to Object Code 6499.

**R6499            Miscellaneous Operating Costs**

This code is used to classify expenditures/expenses for all other operating costs not mentioned above. This account includes:

- Fees (not associated with travel)
- Awards
- Bid notices
- Graduation expenses
- Food/refreshments for school-related meetings
- Newspaper advertisements, etc.

Any local option codes that are used at the local option are to be converted to account 6499 for PEIMS reporting.

**6500            DEBT SERVICE**

This major classification includes all expenditures for debt service. All debt service object codes must be used only with Function 71, Debt Service.

