

JOURNAL ENTRIES

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Journal Entries

Journal Entries are used to make direct changes to transactions within account numbers. There are several reasons that a journal entry should be processed:

- ☐ Moving expenditures charged to an account in error
- ☐ Payment to food service for catering charges
- ☐ District transportation vehicle usage
- ☐ Postage
- ☐ Copier rent and usage fees
- ☐ Field trips, travel, and mileage
- ☐ Other transactions that require internal costing

Completing a Journal Entry

All journal entries are submitted and processed electronically through Skyward. The only exception to this is for the 198 Construction funds which require paper copy submission, approval and electronic processing. Journal entries should be coordinated with the District's *staff accountant* to ensure accuracy of the entry and backup documents.

Important Points

Provide enough detail in the explanation to enable the *business office* to verify the accuracy of the journal entry and provide a clear paper trail for audit purposes. If sufficient rationale is not provided, the journal entry will be denied, and rerouted back to the issuer.

Budget administrators should remember that internal costing is a function of the *business office* and no notifications will take place (i.e. catering, copier and travel allocations).

ACCOUNTING FORMS

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The *business office* maintains an excel sheet named "JE Templates".

BUDGET AMENDMENT

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Budget Amendments

Budget Amendments (also called budget change requests) are used to transfer budgeted funds from one account to another. Amendments are submitted and processed through Skyward. Budget amendments that are made to unlike functions must be submitted to the *board of trustees* and are discussed below under Is Board Approval Required. If help is needed creating an amendment please contact the *business office*.

The menu path in Skyward is financial management/account management/submit transfers. The process is self-explanatory. If funds are not available to move, then the system will not allow an amendment. Once the amendment is saved, it goes through an approval chain that ends in the *business office*. Please allow time for budget amendments to process.

Is Board Approval Required?

Budget Amendments moving funds from one function to an unlike function, such as from function 11 to function 23, will require approval by the *board of trustees*.

Exception: Grants do not require approval by the *board of trustees* to transfer funds; however, they may require approval from TEA if greater than or equal to 25% of total function.

Budget Amendments moving funds within the same function do not require approval by the *board*. They are approved by the *business office*. See *Budget Amendments above*.

Important Points

Submit all budget amendments two weeks prior to the monthly school board meeting to allow for processing at the *business office*. Last minute submissions will cause delays. Provide enough detail in the explanation section to enable the *business office* to verify the accuracy of the budget amendment.

MONTHLY MANAGEMENT INFORMATION REPORTS

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In an attempt to provide more information to budget managers, reports will be distributed *quarterly*. These will be the District's financial key performance indicators for administrators. It will be up to the *budget manager* to create budget amendments and journal entries as needed. Below is a list of what will be included. The list includes reports currently generated on a monthly basis.

MONTHLY MANAGEMENT INFORMATION REPORTS

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The timing of journal entries, budget amendments and other comments need to be made within a week of receipt of these reports in order to ensure accuracy and efficiency.

Budget Variances (via weekly Skyward email report)

These reports will only contain accounts that are relevant to the *administrator* addressed and are scheduled to be emailed to each *campus administrator* and their *secretaries* every Saturday.

General Ledger Detail (via monthly Skyward email report)

Administrators should scan the detail for each budget account to ensure accuracy of coding and to ensure that something has not been inadvertently charged to the wrong account. Any possible discrepancies should be reported to the *business office*.

Time Off (via workbook distributed quarterly)

This report shows all paid time off used in the District.

Sub Budget Detail (via workbook distributed quarterly)

Sub budgets showing budget vs. actual will show a campus exactly where they are during the year. Administrators need to make every effort to ensure that these expenditures are not over encumbered. The general ledger is available upon request from *payroll*.

Copiers (via workbook distributed quarterly)

Copy count and usage will be reported in order for the *budget manager* to monitor costs incurred by their respective campus / department. The District uses *print management software* to monitor usage throughout the District.

Overtime (via workbook distributed quarterly)

Overtime is generally not allowed in the District. Please see Section 2.1.0.1.

Work Orders (via workbook distributed quarterly)

This report shows all submitted and completed work orders in the District.

NSF Checks (via workbook distributed quarterly)

This report shows all non-sufficient fund checks. A bi-weekly NSF check list is distributed to campus/department administration (see Section 1.2.0.1).

Purchase Orders (via workbook distributed quarterly)

This report lists the total number of purchase order executed within the District.

COPIERS / INTERNAL COSTING

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At the end of every month a monthly cumulative report is automatically generated and sent to the District *staff accountant*. The *staff accountant* will allocate the copier usage charge and provide the monthly cumulative report to each *budget manager* upon request.

Budget managers should spend time studying the report to ensure its accuracy as well as the integrity of the number of copies made by each staff person. Discrepancies should be reported to the *business office*. The ability to institute impression limits (total copy limits) may be utilized by the *business office* if requested by the budget manager.

The District *staff accountant* allocates a charge for each click based upon the copier code which is assigned to a department. A copier code can only have one department. This journal entry occurs at the beginning of each month for the prior period. The click charge assessed per black and white copy/print is \$0.019; color copy/print is \$.065. The click charge encompasses the lease cost and the cost per copy that is charged against the District's pool.

Aggregate data can be seen in the *quarterly management workbook*.

MAC & SHARS

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This program is administered jointly by the *business office* and the *special education department*. Payroll is key to the procedures as this department is the keeper of much of the needed information that must be periodically submitted. West ISD contracts with Houston ISD to act as its liaison into the MAC & SHARS program. There are multiple employees within the District that must maintain certification.

The random moment time study (RMTS) sample is maintained by *payroll*. It is updated a quarter in advance and submitted in the Fairbanks system. This sample contains a list of names of employees that provide reimbursable services to students. Periodically an employee is sampled and must provide some brief details to the Fairbanks system as to what they were doing at a particular moment. The system generates an email in advance to notify the employee of the upcoming study. The study must be completed by the employee within 24 hours of service. Compliance is mandatory, and non-compliance or unanswered questions can jeopardize funding and will result in disciplinary action.

The RMTS system drives the participation in the School Health and Related Services (SHARS) system. Employees performing reimbursable services must bill SHARS system

WEST ISD ADMINISTRATIVE PROCEDURES

MAC & SHARS

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in order to get District reimbursements'. *Special education* monitors billing to ensure it is consistent and rationale. A yearly settle-up report is filed in order to ensure the District did not overbill or underbill the federal government. These amounts are paid to the District generally 18 months after the District's fiscal close. The amounts due are accrued during the fiscal year-end close process. The amount accrued is the previous audit year.

MAC (Medicaid Administrative Claiming) is filed quarterly based upon federal quarters. This reporting is done through the Fairbanks system.

All reports submitted to the state using the Fairbanks system must be notarized and scanned.

Reminder emails are sent out regarding various deadlines. These come from a multitude of agencies.

Quarterly assurance letters are received by the District that must be signed, notarized, and returned. The letters are a confirmation of funding received for these programs.

FEMA / TDEM / TEA EMERGENCY FUNDS MANAGEMENT

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Fund 197 has been set up to account for all donated resources.

Fund 198 has been set up to account for all FEMA transactions, insurance proceeds, and transfers.

Normal accounting protocol for Texas public independent school districts as well as GAAP are followed. These funds fall under the single audit act.