

**South
Valley
Preparatory
School**



AZTECS

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POLICIES AND PROCEDURES FOR PURCHASING

The following policies and procedures for purchasing are in compliance with the requirements established within the grant and the [State Procurement Code](#) (Section 13-1-1 through 13-1-199, NMSA, 1978 Compilation).

Purchase Requisition

1. The requisitioning employee completes a purchase request form or notifies the Business Manager or her/his designee charged with entering requisitions in the financial system.
2. The Business Manager or her/his designee enters the purchase requisition into APTA fund and submits to the Head Administrator or Chief Procurement Officer (CPO) for approval/denial.
 - (a) If the purchase requisition is approved, the Head Administrator or CPO will and date the purchase requisition to signify approval.
 - (b) If the purchase requisition is denied, the reason will be documented on the purchase requisition, the Business Manager or her/his designee will make a copy of the denial to be filed, and the form will be sent back to the requisitioning employee.
3. Once approved, the purchase requisition is forwarded to the Head Administrator or CPO to be approved in the Purchasing Module.
4. The selected vendor must be entered into the system as follows:
 - (a) If the vendor is an existing vendor, their name is chosen from the vendor list.
 - (b) If the vendor is a new vendor, at a minimum the vendor name, federal tax ID number and 1099 designation must be entered.

Purchase Order

A purchase order (PO) will be created upon request if the Business Manager determines there is sufficient budget to cover such PO. A copy of the PO must be signed by the Head Administrator or CPO and returned to the business office where it will be forwarded to the appropriate vendor. POs that have been initiated but not issued should be voided to prevent duplicating PO numbers. Another copy of the PO will be kept in an *Open PO* file in the business office.

Receiving

Once the goods are delivered, the receiver must inspect the items for visible damage in the presence of the carrier. Damaged goods should not be accepted. The receiver must also compare the quantities received to the quantities recorded on the packing list. Once this information is verified, the receiver must initial and date the packing list and submit it to the business office where it will be compared and attached to the open PO and original purchase requisition and filed in the *Pending Invoice* file until receipt of invoice.

For partial shipments or returned items, the business office will make a note on the open PO as to which items have been received and/or returned and attach a copy of the PO to the partial shipment packing list and file it in the *Pending Invoice* file until receipt of invoice. The original PO will be kept in the *Open PO* file until the shipment is complete.

Invoices

Invoices will be received by the business office. The Business Manager or her/his designee will review the vendor invoice for mathematical accuracy as well as compare terms, quantities and prices to the PO, and packing list and initial the original invoice to indicate evidence of such review. Differences must be resolved before payment is made. If a partial shipment was received, the vendor will only be paid for the items received. The original invoice will then be attached to the PO and packing list. The Business Manager or her/his designee will record the invoice into the accounting database for payment.

Accounts Payable

An open payables list will be created and reviewed by the Business Manager or her/his designee on a weekly basis in order to select which vendors to be paid. The designee will prepare and print the selected checks from the accounting database and obtain proper signatures. Once the signatures are acquired, the invoice will be stamped "Paid" and dated accordingly. The check stub will be attached to all supporting documentation required by NM State Procurement regulations and filed in the Vendor files in the business office. ***Please note that a single check in the amount of \$6,000 or above requires 2 signers.***

The Business Manager or her/his designee will compare the check to the check register on a test basis to ensure that the following agree:

- 1) Check Number
- 2) Payee

- 3) Account Code
- 4) Amount

Responsibility of School Employees

South Valley Preparatory School staff members must decide what performance requirements are needed. Brand names or personal preference should not be the determining factor. Pricing must be competitive. It is extremely important to plan purchases to allow adequate time for the business office to compare purchase need to the budget and to meet legal requirements and delivery lead times. Staff should allow approximately two weeks for processing plus delivery time.

Federal and State laws and regulation require that a PO must be issued before any product or service is purchased. All School funds, including activity funds, require a PO. ***Administrators and teachers may be personally accountable for purchases that do not comply with School requirements.***

Types of Purchases

1. Check Bequests: Purchases, which are determined to be exempt or of non-competitive nature by the Head Administrator or Chief Procurement Officer (CPO) will be processed by this method. Qualifying purchases are as follows:
 - (a) Subscriptions, membership fees, registration fees, refunds, reimbursement of petty cash, mileage and travel authorizations.
 - (b) To process, prepare a *Check Requisition* designating the appropriate check request amount and submit with supporting documentation. For travel, the employee must complete a *Travel Expense Report* (see Travel, Per Diem and Mileage section for more details).
2. Other Purchases:
 - (a) Complete a purchase requisition or equivalent and forward it on to the Head Administrator or CPO for approval in the usual manner.
 - (b) Attach three (3) quotes if a single item to be purchased exceeds **\$5,000**. The quotes must include vendor name and telephone number/contact information. Be sure each quote is inclusive of all charges and freight.
 - (c) For planning purposes, allow 14 working days for processing, which does not include delivery time.

3. \$60,000 or more for Tangible items and/or Contracted Services require Formal Bids: If the estimated or actual cost of a purchase exceeds these amounts, you must:
- (a) Establish funding.
 - (b) Prepare “draft” specification, which clearly identify the technical and performance requirements of the item or service required.
 - (c) Identify any vendors who you know can supply the item or service required.
 - (d) Submit the requisition and “draft” specifications to the Business Office to be formally bid. The business office will mail or otherwise distribute bid documents as well as publish public notice not less than ten calendar days prior to the date set forth for the opening of the bid.
 - (e) For purposes of planning, please allow at least 35 working days for processing and award, which does not include delivery time.
 - (f) The school may contract for services, professional services, construction, or items of tangible personal property without the use of competitive bids per 1.4.1.65 NMAC “*Procurement Under Existing Contracts Authorized.*”

TRAVEL, PER DIEM, AND MILEAGE

Policy

All In-State travel requests must comply with the requirement set forth on the Procedure as per [DFA Rule 95-1](#). Out-of-state travel must receive prior approval from the Head Administrator. Pre-approved travel shall entitle the employee payment as defined by the Department of Finance and Administration.

Reimbursement shall be made for travel on public conveyance at the most economical rate available for the trip. Pre-approved travel in a personal vehicle shall be reimbursed at the NM State approved rate per mile. ***Please note that employees and Governing Council members are not eligible for out-of-state travel/professional development until after one (1) year of service for South Valley Preparatory School.***

Procedure

Prior to travel, the employee must complete a *Travel Request Form* and submit it to the Head Administrator, if required, for approval, at least one month prior to travel. The approved *Travel Request Form* will then be forwarded to the Business Manager

who will determine whether or not sufficient budget capacity and cash balance exist to make additional expenditures. If sufficient budget exists, the business office will issue a PO for anticipated expenditures. A per diem check will be given no earlier than five (5) days prior to travel for actual hotel and meal expenses. The school will reimburse actual expenses for meals following the published current rates on the [Department of Finance and Administration \(DFA\) website](#). **Receipts are required for hotel and meal expenses.**

Within five (5) business days following travel, the employee must complete an Expense Report and/or a Mileage Log to request reimbursement for all travel and mileage expenses. All receipts for out-of-pocket expenditures for transportation, registration and miscellaneous expenses are required for reimbursement. The expense report will be reviewed and approved by the Head Administrator and forwarded to the business office for processing.

Per Diem Rates

Per diem rates will be based on the current [Department of Finance and Administration \(DFA\) website](#).

Reimbursement for Other Expenses

Employees may be reimbursed for certain actual expenses in addition to per diem rates.

Receipts Not Required – Employees may be reimbursed without receipts for the following expenses in the amount of \$6.00 per day not to exceed a total of \$30.00 per trip:

1. Taxi or other transportation fares at the destination of the traveler as allowed by the Head Administrator and/or Governing Council;
2. Gratuities as allowed by the Head Administrator and/or Governing Council; and
3. Parking fees.
4. If more than \$6.00 per day or \$30.00 per trip is claimed, the entire amount of the reimbursement claim must be accompanied by receipts.

Receipts Required – Employees may be reimbursed for the following expenses provided that receipts for all such expenses are attached to the reimbursement voucher:

1. Actual costs for travel by common carrier, provided such travel is accomplished in the most economical manner practical;
2. Rental cars or charter aircraft, provided less expensive public transportation is not available or appropriate;
3. Registration fees for educational programs or conferences, provided, if the fee includes lodging or meals, then no per diem rates shall be paid and only actual expenses paid by the employee and not included in the fee shall be reimbursed within the limits of 2.42.2.9 NMAC; and
4. Professional fees or dues that are beneficial to South Valley Preparatory School's operations or mission.
5. Under circumstances where the loss of receipts would deny reimbursement and create a hardship, an affidavit from the employee attesting to the expenses may be substituted for actual receipts. The affidavit must accompany the travel voucher and include the signature of the Head Administrator and/or Governing Council.

STUDENT ACTIVITY FUND MANAGEMENT

In general, Student Activity Funds are those funds that are owned, operated, and managed by students under the guidance and direction of an approved staff member for educational, recreational, and/or cultural purposes. The Head Administrator is authorized to approve the formation of all class organizations, clubs, and associations. All fundraising activities must be approved by the school Head Administrator and Business Manager prior to initiating the fundraising activity.

Policy

1. Projects that raise student activity funds should contribute to the educational experience of students and not be in conflict with, but rather add to, the existing curriculum.
2. Student Activity Funds should, whenever possible, be spent for the benefit of those students currently enrolled in the school who have contributed to the accumulation of these funds.
3. Student activities should be conducted so that they offer minimum competition to any commercial concerns, while still benefiting the student body as a whole.
4. All Activity Fund receipts and disbursements must be documented in accordance with established cash receipts and cash disbursements procedures.
5. The Business Manager or her/his designee is responsible for the management of the school's Activity Funds.

6. The Business Manager shall develop and maintain the procedures necessary to implement this policy in accordance with any applicable laws.

Procedure

1. The teacher or sponsor in charge of the student activity will be responsible for receipting and depositing funds collected.
2. The teacher or advisor in charge of the student activity will adhere to the 24-hour banking rule outlined in NMAC 6.2.2.14.3.
3. Cash receipts for student activity funds shall be given to the front office where a pre-numbered receipt will be issued which identifies the activity for entry into the school's accounting system.
4. In the case of an off-site activity such as an intramural sports function, the teacher or advisor in charge of the activity will ensure that all cash is accounted for. It is recommended that two people independently verify cash receipts and, after arriving at the same conclusion, place their initials a count sheet verifying that all receipts have been tallied. The count sheet shall be given to the school Business Manager or her/his designee for verification.
5. In a situation where activity fund receipts are taken after school hours, the teacher or advisor in charge of the activity shall make sure that all receipts are properly safeguarded pursuant to NMAC 6.2.2.14.1.
6. The teacher or advisor in charge of the activity shall adhere to the school's adopted policy regarding the Procedures For The Receipt Of Funds at all times.

Application for New Student Activity Form

If a new student activity fund is required, an application for new Student Activity Account must be filled out by the sponsor, approved by the Head Administrator, and submitted to the Business Office for approval. Once the Business Office has approved the form, the Business Manager or her/his designee will assign a new account number.

A copy of the form will be sent back to the sponsor with the new assigned account number, which must be referenced on all materials. No fundraising activities will be allowed until after the Business Office has approved new funds.

Log of All Activities

A log of all approved activities is to be compiled and retained by the sponsor. This log will be used to identify fund raisers and use of funds on campus and to ensure procedures are being followed. The prior year and current year's log must be available to review upon request by auditors or Business Office personnel.

Sponsor's Responsibilities

It is the sponsor's responsibility to understand and ensure compliance with all school policies and procedures as outlined in this manual. Failure to follow or lack of knowledge of procedures does not preclude sponsors from full responsibility and possibly disciplinary action as a result of this failure or lack of knowledge.

Failure to adhere to the fundraising policies and procedures illustrated in this manual may adversely affect the school's or club's ability to continue having fundraising activities. All noncompliance issues will be presented to administration for corrective action. Fund raising activities and supporting documentation are subject to unannounced audit(s).

The sponsor is fiscally responsible for all facets of the fundraising activity. He/she may be held liable for all unapproved fundraising activities and for any shortages identified if policy has not been followed. All sponsors are required to sign the Fundraising Agreement section on the Application for Fundraising.

Sponsor's responsibilities include but may not be limited to:

1. Planning the activity with club members.
2. Selecting the vendor
3. Scheduling the activity with the Head Administrator or designee.
4. Properly completing the *Fundraising Application* prior to entering into any agreement and/or receiving product from a vendor. The sponsor, not the school, will be liable for product delivered and amount due if sponsor fails to obtain prior approval.
5. Maintaining the appropriate controls to ensure that all monies are collected and turned in to the Business Office assistant on a timely basis (within 24 hours) and students are held accountable for outstanding product and amounts.
6. Ensures that data is available to prepare a perpetual inventory of all products including incentive products, funds received, a list of delinquent accounts and outstanding product. Explanation of Outstanding Amounts can help sponsors with outstanding balances owed. This form should be used by sponsors as a tool only. This form does not need to be turned in to the Business Office but may be requested by the Head Administrator.
7. Obtains the Head Administrator's approval for disposal of all surplus/damaged products. Surplus products are given away by the Head Administrator and **not the sponsor**.
8. Once a student fails to return product or pay for the product, then the sponsor should not issue any additional product (regardless of student's classification) until said student clears his/her record.

The sponsor must ensure that all club receipts and disbursements are processed in accordance with policies and procedures. Please refer to the following section

entitled CASH RECEIPTS and DISBURSEMENTS for guidelines, which govern these activities.

In general, product should be distributed after school or during a time when class is not unduly disrupted. Students are encouraged to sell the product to his/her immediate family or to known individuals. The school does not encourage activities that require and/or encourage students to sell “*door to door*.”

The sponsor must notify the Head Administrator and then immediately report all thefts to the Business Office. The sponsor may be liable for not reporting losses on a timely basis.

The sponsor should ensure that they do not use any parent organization activities to circumvent school policy.

The sponsor should make a concerted effort to collect 100% of the total outstanding balance. Consistent losses, uncollectible balances, thefts, and/or unaccounted for balances may restrict a sponsor’s ability to participate in fund raising activities.

The School:

1. Reserves the right to stop payment on all fundraising activities in which the sponsor/vendor neglected to follow policy. In these cases, a contract exists between the vendor and employee.
2. Will not be liable for any unapproved fundraising activities;
3. Will remove vendors from the “Approved List” for noncompliance with policy.

Approval of Fundraising Activity

All fundraising activities must be approved prior to ordering or receiving product/ services. It is the Head Administrator’s responsibility to ensure that all activities have been reviewed and approved prior to commencement. A fundraising Application must be filled out by each sponsor/teacher responsible for each individual fundraiser. Approval for periodically scheduled bake sales, car washes, burrito sales require a one-time approval for that month. For example, if a pickle sale is held every Friday to benefit the Student Club’s Fund, then only one fund raising application needs to be filled out with these four dates listed.

Closing of Fundraising Projects

All fundraisers should be closed within 60 days after the “ENDING SALE DATE” illustrated on the application.

An activity is considered closed when:

1. All collectable funds have been deposited
2. All disbursements have been made.

Exceptions (5-Day Cap Required)

Bake sales, one-day food sales/dinners, dances, performances, concerts, car washes, a-thons, book fairs and similar activities not involving controllable merchandise must be recapped within 5 working days after the activity is held. Specifically, Total revenue generated, expenses incurred, and net profit or funds raised is determined within 5 working days.

The sponsor is accountable/liable for safeguarding all items not sold. Future fundraising activities may be affected if the activity is not properly closed.

Cash Receipts

The sponsor should use an *Activity Collection Log* at the collection point for students who remit money in order to maintain a system of accountability of each dollar collected. The collection log can be placed on a manila envelope and turned in with receipts. This practice enables the sponsor and the school to account for cash received.

Deposits

The sponsor must submit all cash to the secretary or financial specialist, for deposit, within 24 hours or one banking day. This is in compliance with the PSAB Supplement 18. The sponsor is liable for funds lost or stolen.

Remittances to the campus financial specialist must be accompanied by the sponsor's *Activity Collection Log* and *Activity Fund Deposit Worksheet*. Totals on both forms must balance.

The Business Manager or her/his designee will issue the sponsor an office receipt for all monies remitted for deposit. The sponsor should not walk away from the business office without their office receipt.

Cash receipted may not be used to cash checks, be borrowed from, lent out, or used to issue cash refunds. All cash refunds should be reflected through an appropriate PO.

The sponsor is restricted from using cash collected to make any type of purchases.

Bank Reconciliation

Credit in the activity account is final only after bank reconciliation process has been completed. This will ensure that bounced checks and/or over/short variances have been taken into consideration.

Disbursements

A PO should be issued prior to the ordering of the product. This procedure is the same as with all other PO. A PO is not approved until it is approved by the Head Administrator/Business Office.

Cash Disbursements are Prohibited

The vendor may be paid once the activity has generated enough funds to cover the cost. Payment cannot be processed without an original company invoice, which provides unit description, unit cost, free product, other charges, credits, returns, etc.

The Head Administrator, Business Manager, or their designee should be contacted immediately if problems with a vendor or their services arise. The vendor will not be paid until all problems are resolved.

TIMESHEET POLICY

Salaried staff who are pre-approved by the Head Administrator to work beyond their regular duty, such as for special assignments and projects (translating/interpreting for parents, working extended hours during audit season, etc.), must use a timesheet to document additional hours worked.

The following requirements apply in all cases:

1. Any time worked over contract hours will be paid within the current pay period.
2. Non-exempt employees who are scheduled to work in excess of 40 hours per week will be paid time-and-a-half for all time exceeding 40 hours as per Fair Labor Standards Act (FLSA).
3. Except in emergency circumstances, prior permission to work overtime as well as time exceeding contract hours must be ***pre-approved*** in writing by the Head Administrator.
4. **Under no circumstance** may one staff member or any other person record a time sheet for another individual. Any staff member participating in this type of violation will face disciplinary action up to immediate termination.

INSTRUCTIONAL MATERIALS ACCESS POLICY

Required textbooks shall be issued free to students. The school shall provide every student with a textbook for each class that supports the curriculum and instruction. The Head Administrator shall be responsible for establishing and enforcing state statute and regulations regarding textbooks.

Students shall be permitted to take any necessary textbooks and or supplemental materials needed to support learning at home. Students shall make compensation in case of lost, destroyed or unnecessarily damaged textbooks and other instructional materials.

The Head Administration may make provisions in its annual budget for the purchase of library books and instructional materials to supplement the textbooks provided by the State of New Mexico. Videotapes, DVDs, and multi-media products shall be selected and utilized to provide support to instructional learning as established in state regulation and administrative procedural directive.

LOST, STOLEN, OR DAMAGED TEXTBOOK/DEVICE POLICY

The school shall follow all state laws and regulations in regard to lost, stolen, or damaged textbooks. Each school shall keep an accurate inventory of all textbooks and school property. The inventory shall be submitted to the school office annually at the end of the school year.

All textbooks and other materials provided for students are a loan and remain the property of the school. Students are expected to treat them carefully.

The Head Administrator or her/his designee shall be responsible for developing a system for identifying and distributing school property. Instructional staff shall be responsible for ensuring that materials assigned to students are tracked and recorded. Before textbook or property distribution, the condition of the material shall be assessed and recorded.

At the end of the school year, when a student leaves the school, or when the material is no longer needed, all textbooks and materials shall be returned. Lost or stolen textbooks shall be replaced by the student in accordance with the following rates:

1. Excellent condition: full replacement cost
2. Good condition: 75% of replacement cost
3. Fair condition: 50% of replacement cost
4. Poor condition: 25% of replacement cost

Damaged books shall be assessed at the discretion of the teacher or Head Administrator.

All payments received because of fines and assessments shall be forwarded to the school office for deposit. The Head Administrator shall maintain records regarding items lost or damaged, fines recovered, and fines outstanding. Receipts shall be given for each payment with a copy of the receipt sent to the school office.

Students who cannot pay for replacement or assessment costs may, with the supervision of the Head Administrator or her/his designee and the approval of the parents of the student, provide school or community service in lieu of money to compensate for the lost or damaged materials. The amount of time shall be determined by the building Head Administrator.

All obligations shall be met before final report cards are issued or records sent to other schools.

The Head Administrator shall prepare an annual report concerning lost, stolen, or damaged property as required by the state.