



**STUDENT ACTIVITY  
PROCEDURES MANUAL**

## Responsibility for Activity Funds

- *The school principal, or designate*, who is personally responsible for the proper collection, disbursement and control of all activity funds at the school. This responsibility includes providing for the safekeeping of funds at the school.

Money on hand at the end of the school day should be deposited at the school's bank (Shelby Savings Bank) or placed in campus vault in each groups designated money bag.

- *The individual activity fund sponsors* who are responsible for managing their activity funds. They are responsible for completing **Fund Raising Application**, developing fund raising plans, monitoring the financial position of the activity fund, reviewing the activity fund financial statements, safekeeping activity fund money until it is deposited by the school district and other fiduciary responsibilities.

## Activity Fund Receipts

Cash receipts records are the means of accurately recording cash received and provide support to substantiate each bank deposit.

The procedures that should be followed for activity fund receipts are:

- An official receipt from the receipt book should be prepared immediately for any cash and/or checks received. The school district should not accept postdated checks.
- A form that includes details about the payer and a description of the receipt should be completed for cash receipts.
- A copy of the receipt should be given to the person paying the money.
- Originals of receipts must be retained in the activity fund cash receipt book.
- Under no circumstances should a receipt amount or the signature be altered. If either of these errors occurs in the preparation of a receipt, void the receipt and issue a new receipt.
- The original of the voided receipt must remain attached in the activity fund cash receipt book. The principal should approve the voiding of a receipt by signing the original receipt.

## **Bank Deposit Slips**

As cash is collected and counted, deposit slips should be completed by the appropriate activity fund personnel. When properly validated by the bank, these deposit slips serve as evidence of money deposited on specific dates. These slips are vital supporting documents for accurate cash records and should be retained as a financial record of the school district.

- All receipts should be turned in daily.
- Yellow receipts copies must be validated and turned in to Accounts Payable Office (Ruth Gonzalez).
- Description and account code should be on receipt for proper posting.
- Person preparing deposits should sign and date when completed.

## **Cashing of Checks**

The practice of cashing personal checks is not allowed in activity funds and in other school sources.

## **Advance Payments**

Advance payment may sometimes be requested for expenses anticipated by clubs or other student groups engaged in out-of-town travel. A travel advance should be noted on the payment, and the group sponsor should return any unused funds to the activity fund clerk with supporting documentation as soon as the event is completed. A cash receipt for unused advance funds should be issued to the activity fund sponsor when such unused funds are returned.

## **Payments to Non-employees for Contracted Services**

To authorize payment of non-district personnel for consultant/instructor services an IRS Form W-9 should be completed. Club sponsors *should not be allowed* to pay nonemployees using either their own personal check or cash and then seek reimbursement from the activity fund.

## **Retention of Records**

Deposit receipt books & receipt books should be kept by the school district for the same length of time as other accounting records which generally are kept five years after the conclusion of the fiscal year in which the transaction occurred.

- All deposit receipt books/receipt books should be turned in to the Accounts Payable office by August 31<sup>st</sup> ending the school year at which time new receipt books will be issued for the new school year.

## **Taxable Status of Purchases**

All items purchased by a public school for the school's own use qualify for an exemption from sales tax if the items purchased relate to the educational process.

Purchases for their own use by individuals, even though connected with a school or school organization, are not exempt from the tax. As an example, cheerleaders purchasing their own uniforms, teachers purchasing computer equipment, band members purchasing their own instruments and athletic teams purchasing their own jackets are not tax exempt.

## **Exempt School Items**

Public schools and school-related organizations are not required to collect sales tax on the following:

- Fees and admission tickets, if the event is entirely for educational purposes
- Student club memberships
- Sales of food and soft drinks that are
  - Sold or served after the regular school day
  - Sold by a person under 19 years of age who is a member of an organization devoted to the exclusive purpose of education, and groups associated with public or private elementary or secondary schools as a part of a fund-raising drive sponsored by the organization for its exclusive use

## School Sponsored Trips

Meals purchased by the school for athletic teams, bands, etc. on authorized school trips are exempt from the sales tax. The sponsor must provide the eating establishment with an exemption certificate.

Individual members of teams or other organizations may not claim exemption from the sales tax on the meals they purchase while on a school-authorized trip.

An exemption may also be claimed by the school from the hotel occupancy tax if the school contracts and pays for the accommodations. This exemption is only for the state hotel occupancy taxes; it does not exempt the school district from local hotel occupancy taxes.

- Please keep in mind when contacting the hotel to inform them that the school is state tax exempt.

## Taxable Sales

Public schools and school-related organizations must collect the sales tax on all sales which are not specifically exempted. For example, sales taxes must be collected on the following:  
**(Except if individual making the purchase is paying the sales tax directly to the company)**

- School purchased supplies sold directly to students.
- Fees for materials when the end product becomes a possession of the student
- Student publications such as yearbooks and football programs
- School rings
- Books sold to students at book fairs

This list is not comprehensive; other taxable sales may be made by a school district.

## **Tax-free Sales**

Each bona fide chapter is allowed to have two, one-day tax-free sales each calendar year. During these tax-free sales, the organization may sell any taxable item tax-free when the price of the item is \$5,000 or less. There is no limit on the number of bona fide groups at a school or school district. One-day tax-free sales mean that collection and remittance of state sales taxes is not required on qualified sales on that day. While the sale of yearbooks can be selected as one of the two one-day tax-free fund-raisers, a book fair is usually not a qualified sales event because the school is not the seller, and the school is therefore acting as an agent for the vendor. The sale of items received from a vendor, in which the school and the respective vendor have an agreement that the vendor will take back any unsold items, would also generally not qualify as a one-day tax-free sale.

Any student group that is recognized by the school and is organized by electing officers (not just participatory captains), holding meetings, and conducting business are bona fide chapters of the school and each group may have two, one-day, tax-free sales in a calendar year. Groups meeting for classroom instruction or team sports are not categorized as bona fide chapters and do not qualify for the tax-free day sales.

One-day means 24 consecutive hours; the delivery should be made on a single day. Generally title passes to the purchaser when the item is given to the purchaser. In the case of pre-ordered and pre-paid sales, title can transfer as soon as the seller (school) receives the order. Therefore, the date the items are delivered by the vendor to the seller is designated as the one-day for the purposes of the tax-free sales.

## **Raffles/Drawings**

School districts are not qualified organizations. Attorney General Opinion JM-1176 also ruled that independent school districts are not qualified to hold charitable raffles.



Center ISD

\_\_\_\_ Campus Activity Fundraiser  
\_\_\_\_ Student Activity Fundraiser

.....Fund Raising Application.....

**Important: Sponsors must verify that vendors are on approved Purchasing Co-op before beginning any fundraising. Approved Bid print out must be attached to Fund Raising Application. Turn in fundraising application & approved bid printout to Iletha Fountain or Ruth González.**

Campus \_\_\_\_\_ Date \_\_\_\_\_

Sponsor \_\_\_\_\_ Activity \_\_\_\_\_

Describe the purpose of this sale \_\_\_\_\_

Describe the product or activity \_\_\_\_\_

Sales/activity location \_\_\_\_\_

Targeted customer \_\_\_\_\_

Start and end date of sale/activity \_\_\_\_\_ Time \_\_\_\_\_

Vendor \_\_\_\_\_  
Company Name Representative Phone Number

Have all outstanding debts from previous activities been collected? Y\_\_\_\_N\_\_\_\_ \$ \_\_\_\_\_  
Amount Outstanding

**Estimate the Following:**

Approximate cost per item/activity \_\_\_\_\_

Sales price per item/activity \_\_\_\_\_

Estimated profit \_\_\_\_\_

Percentage profit \_\_\_\_\_

Is this sale taxable? Y\_\_\_\_N\_\_\_\_  
If taxable and if eligible, will this sale count as one of the two tax-free sale days? Y\_\_\_\_N\_\_\_\_  
1st or 2nd tax free sale? \_\_\_\_\_

I certify that I will exercise strict control over all products in my possession and will remit all collections on a daily basis to the secretary/bookkeeper. I will notify the Business Office promptly of all outstanding debts so that appropriate action may be taken. I realize that any losses due to my failure to follow established rules and procedures may become my personal responsibility.

Submitted by \_\_\_\_\_ Review by \_\_\_\_\_  
Sponsor Date Secretary Date

Approved by \_\_\_\_\_  
Principal/Administrator Date

**Principal/Administrator must sign Fund Raising Application before beginning any fundraising.**






# Texas Hotel Occupancy Tax Exemption Certificate

Provide completed certificate to hotel to claim exemption from hotel tax. Hotel operators should request a photo ID, business card or other document to verify a guest's affiliation with the exempt entity. Employees of exempt entities traveling on official business can pay in any manner. For non-employees to be exempt, the exempt entity must provide a completed certificate and pay the hotel with its funds (e.g., exempt entity check, credit card or direct billing). This certificate does not need a number to be valid.

|  |   |
|--|---|
| Name of exempt entity                              | Exempt entity status (Religious, charitable, educational, governmental) |
| Address of exempt organization (Street and number) |   |
| City, State, ZIP code                              |   |

**Guest certification:** I declare that I am an occupant of this hotel on official business sanctioned by the exempt organization named above and that all information shown on this document is true and correct. I further understand that it is a criminal offense to issue an exemption certificate to a hotel that I know will be used in a manner that does not qualify for the exemptions found in the hotel occupancy tax and other laws. The offense may range from a Class C misdemeanor to a felony of the second degree.

|                            |            |
|----------------------------|------------|
| Guest name (Type or print) | Hotel name |
| Guest signature            | Date       |

**sign here** 

## Exemption claimed

Check the box for the exemption claimed. See Rule 3.161: Definitions, Exemptions, and Exemption Certificate.

- United States Federal Agencies or Foreign Diplomats.** Details of this exemption category are on back of form. This category is exempt from state and local hotel tax.
- Texas State Government Officials and Employees.** (An individual must present a Hotel Tax Exemption Photo ID Card). Details of this exemption category are on back of form. This limited category is exempt from state and local hotel tax. Note: State agencies and city, county or other local government entities and officials or employees are not exempt from state or local hotel tax, even when traveling on official business.
- Charitable Entities.** (Comptroller-issued letter of exemption required.) Details of this exemption category are on back of form. This category is exempt from state hotel tax, but not local hotel tax.
- Educational Entities.** Details of this exemption category are on back of form. This category is exempt from state hotel tax, but not local hotel tax.
- Religious Entities.** (Comptroller-issued letter of exemption required.) Details of this exemption category are on back of form. This category is exempt from state hotel tax, but not local hotel tax.
- Exempt by Other Federal or State Law.** Details of this exemption category are on back of form. This category is exempt from state and local hotel tax.

**Permanent Resident Exemption (30 consecutive days):** An exemption certificate is not required for the permanent resident exemption. A permanent resident is exempt the day the guest has given written notice or reserves a room for at least 30 consecutive days and the guest stays for 30 consecutive days, beginning on the reservation date. Otherwise, a permanent resident is exempt on the 31st consecutive day of the stay and is not entitled to a tax refund on the first 30 days. Any interruption in the resident's right to occupy a room voids the exemption. A permanent resident is exempt from state and local hotel tax.

Hotels should keep all records, including completed exemption certificates, for four years.

**Do NOT send this form to the Comptroller of Public Accounts.**

## Texas Hotel Occupancy Tax Exemptions

See Rule 3.161: *Definitions, Exemptions, and Exemption Certificate* for additional information.

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### United States Federal Agencies or Foreign Diplomats (exempt from state *and* local hotel tax)

This exemption category includes the following:

- the United States federal government, its agencies and departments, including branches of the military, federal credit unions, and their employees traveling on official business;
- rooms paid by vouchers issued by the American Red Cross and the Federal Emergency Management Agency; and
- foreign diplomats who present a Tax Exemption Card issued by the U.S. Department of State, unless the card specifically excludes hotel occupancy tax.

Federal government contractors are *not* exempt.

### Texas State Government Officials and Employees (exempt from state *and* local hotel tax)

This exemption category includes only Texas state officials or employees who present a Hotel Tax Exemption Photo Identification Card. State employees without a Hotel Tax Exemption Photo Identification Card and Texas state agencies are *not* exempt. (The state employee must pay hotel tax, but their state agency can apply for a refund.)

### Charitable Entities (exempt from state hotel tax, but *not* local hotel tax)

This exemption category includes entities that have been issued a letter of tax exemption as a charitable organization and their employees traveling on official business. *See website referenced below.*

A charitable entity devotes all or substantially all of its activities to the alleviation of poverty, disease, pain and suffering by providing food, clothing, medicine, medical treatment, shelter or psychological counseling *directly* to indigent or similarly deserving members of society.

Not all 501(c)(3) or nonprofit organizations qualify under this category.

### Educational Entities (exempt from state hotel tax, but *not* local hotel tax)

This exemption category includes in-state and out-of-state school districts, private or public elementary, middle and high schools, Texas Regional Education Service Centers and Texas institutions of higher education (*see Texas Education Code Section 61.003*) and their employees traveling on official business.

A letter of tax exemption from the Comptroller of Public Accounts as an educational organization is not required, but an educational organization might have one.

Out-of-state colleges and universities are *not* exempt.

### Religious Organizations (exempt from state hotel tax, but *not* local hotel tax)

This exemption category includes nonprofit churches and their guiding or governing bodies that have been issued a letter of tax exemption from the Comptroller of Public Accounts as a religious organization and their employees traveling on official business. *See website referenced below.*

### Exempt by Other Federal or State Law (exempt from state *and* local hotel tax)

This exemption category includes the following:

- entities exempted by other federal law, such as federal land banks and federal land credit associations and their employees traveling on official business; and
- Texas entities exempted by other state law that have been issued a letter of tax exemption from the Comptroller of Public Accounts and their employees traveling on official business. *See website referenced below.* These entities include the following:
  - nonprofit electric and telephone cooperatives,
  - housing authorities,
  - housing finance corporations,
  - public facility corporations,
  - health facilities development corporations,
  - cultural education facilities finance corporations, and
  - major sporting event local organizing committees.

### For Exemption Information

A list of charitable, educational, religious and other organizations that have been issued a letter of exemption is online at [www.window.state.tx.us/taxinfo/exempt/exempt\\_search.html](http://www.window.state.tx.us/taxinfo/exempt/exempt_search.html). Other information about Texas tax exemptions, including applications, is online at [www.window.state.tx.us/taxinfo/exempt/index.html](http://www.window.state.tx.us/taxinfo/exempt/index.html). For questions about exemptions, call 1-800-252-1385.

## Request for Taxpayer Identification Number and Certification

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

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

### Part I Taxpayer Identification Number (TIN)

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

| Social security number |  |  |  |  |  |  |  |  |  |
|------------------------|--|--|--|--|--|--|--|--|--|
|                        |  |  |  |  |  |  |  |  |  |

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

| Employer identification number |  |  |  |  |  |  |  |  |  |
|--------------------------------|--|--|--|--|--|--|--|--|--|
|                                |  |  |  |  |  |  |  |  |  |

### Part II Certification

Under penalties of perjury, I certify that:

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

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

|                  |                            |        |
|------------------|----------------------------|--------|
| <b>Sign Here</b> | Signature of U.S. person ▶ | Date ▶ |
|------------------|----------------------------|--------|

### General Instructions

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

#### Purpose of Form

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

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

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

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

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

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

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