



Harris County  
Department of  
**Education**

# BUDGET PLANNING BOOK

FISCAL YEAR ENDING AUGUST 31, 2025

VIEW THE BUDGET  
PLANNING BOOK AND  
OTHER HCDE FINANCIAL  
REPORTS ONLINE



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GOVERNMENT FINANCE OFFICERS ASSOCIATION

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Budget Presentation  
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**Harris County Department of Education  
Texas**

For the Fiscal Year Beginning

**September 01, 2022**

*Christopher P. Morill*

Executive Director



ASSOCIATION OF  
SCHOOL BUSINESS OFFICIALS  
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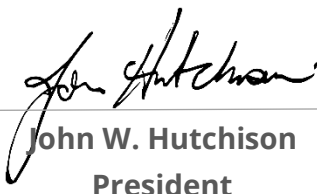
This Meritorious Budget Award is presented to:

# HARRIS COUNTY DEPARTMENT OF EDUCATION

for excellence in the preparation and issuance of its budget  
for the Fiscal Year 2023–2024.

The budget adheres to the principles and standards  
of ASBO International's Meritorious Budget Award criteria.



  
John W. Hutchison  
President

  
Siobhán McMahon, CAE  
Chief Operations Officer/  
Interim Executive Director



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# Introduction



To: All HCDE Budget Managers

From: James Colbert, Jr.  
County Superintendent

Ref: 2024-2025 Performance  
Budgeting Process

Date: February 6, 2024



### **FY 2022-2023**

FY 2023 has been a year of changing economic conditions in the interest rate market, the consumer market, and the property market. With all those variables, HCDE has been able to adapt and end the year on a positive note.

Our staff were resilient and adapted to the unique environment immediately. Our divisions continue to deliver

services to clients and expanding our reach through reorganizations such as the Center for Educator Success, expansion of Choice Partners into the Amazon Platform, and continuing to complete our phase one capital improvement program

The department was able to meet its goals and objectives and ended in serving over **257,332** students and **39,634** educators. Given the changes in the programs, the department was able to adjust its spending patterns and realize 95% of its revenues and ending in a small use of fund balance of \$220,503 This result was an extraordinary task that involved high collaborations, careful adaptation, and purposeful intent to deliver excellent service.

The fiscal condition of the organization is at its all time high, and it has excellent cash flows and revenue streams that allowed the department to achieve the highest rating from Moody's Investor Service at Aaa for its tax notes and Aa1 for the revenue financing bonds. In the area of accountability, there were many divisions that met their goals, and the external auditors provided an unmodified opinion. Our group continues to be accountable and resilient.



It is time to plan for our next fiscal cycle, and we need to be mindful of lessons learned during the pandemic and the changes in the market. We need to assess our system strengths, weaknesses, opportunities, and threats. We must finish our initiatives started in 2023 and be receptive to a changing education landscape. Some of the programs that are going on are Capital Improvement Program, the Head Start Expansion Projects, and Facilities upgrades.

**Your leadership and skills have been essential elements to meeting our objectives by design.**

Your collaborative spirit and staff cohesiveness have resulted in positive budget results. We need to continue to due our due diligence and manage both sides of the budget equation. We need to be ready to address how we generate revenues and how we prioritize spending levels. It is a year-round process, and we nee to continue to adapt our processes to the market where we operate.

**Several initiatives** (our new water) that are under development and plans are being created to start on the new fiscal year. Our executive team leaders and division managers are doing their due diligence to make sure that motions are in place to carry out the plans.

As we look to our future, we need to link our budgetary process to our overall strategic plans and goals that the Board has outlined for our department. We need to maintain focus on a sound business model that can deliver exemplary governmental services to Harris County districts and other local governmental entities. This is the time to develop our financial plan through the budget process to make sure that we capture the initiatives and efforts around our communications, financing and operations plans designed to meet our HCDE Goals.

## **Going forward in fiscal year 2023 – 2024**

We need to sharpen our expectations to continue to provide exemplary services while increasing the value of services and relationships with our school districts and stakeholder community at large. It is important to keep in mind the business formula that we have undertaken and the administrator’s code that we value in our organization.

Our stakeholders, our board, our community, and our client expect:

**Value, Trust, Integrity, Focus,  
Excellent Performance Expectations Every Day**

To achieve this, we must continue to develop a prudent balanced budget that ensures positive budget model while delivering quality services. New initiatives will be entertained, and we need to make sure that we have sound fiscal projections for both estimated revenues and appropriations. New initiatives and or growth areas in the budget must be tied to revenue growth or use of planned resources. One of the first steps is to review **fees schedules and revenue projections**, thus a meeting will be scheduled with you early this month with the business office to make sure that our fee structure is feasible and reflective of the target market.

## For fiscal year 2024-2025

**A list of new priorities will be provided in late February** to assist you in the development of your budget. As a start, we need to continue our current initiatives and be ready to justify your budget and its impact to the overall budget. Additional instructions will be provided during the budget meetings. I challenge you be flexible to adjust projections based on organization projected initiatives.

We also ask that you keep **reviewing the FY 2024 trends** and identify possible new revenue streams or what I call the “new water” of the Department. Also, it is essential that we identify those expenditure areas that need to be adjusted and reprioritized. During the budget process, additional direction will be given to develop various alternative plans to meet a balanced budget.

**Our FY 2024-2025 budget goals** include to develop a performance-based budget that meets the following budget goals:

1. Develop a balanced budget,
2. Be Ready to develop, if necessary, Contingency Projections
3. Maintain a positive business model
4. Establish competitive and sustainable fee structures,
5. Continue implementing efficiencies – proprietary divisions to be self-supporting and support divisions to operate efficiently,
6. Identify the “new water” new revenue possibilities inclusive of forecast models.



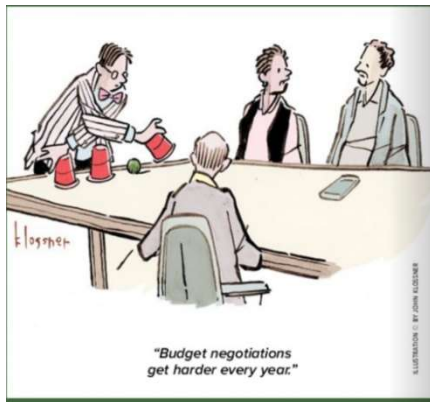
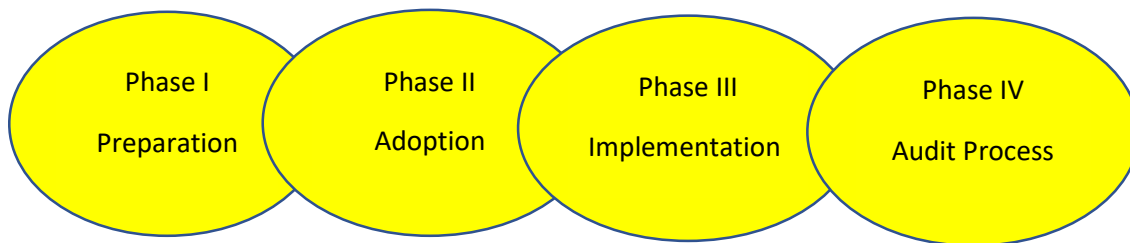
Our Board has adopted a Budget Calendar, and the Business Office Staff has created a Budget Instructions Manual that will guide you in the development of the budget. Each budget will be reviewed by the Budget Committee, and each division must be ready to discuss a SWOT analysis, a need assessment, and a sustainability analysis of your division during the budget meetings. Our goal is to develop operations and financial plans that meet the needs of our stakeholders: educational clients, students, and taxpayers.

We look forward in reviewing your plans and objectives to improve educational opportunities in Harris County in fiscal year 2024-2025

To: All HCDE Budget Managers  
 From: Jesus J. Amezcua, Assistant Supt for Business  
 RE: 2023-2024 (FY24) Performance Budgeting Process & Goals  
 Date: March 1, 2024

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Our Budgeting process is a year-round process, and the planning for fiscal year 2024-2025 starts in February 2024. The process of developing the HCDE budget includes the participation of divisions, executive members, the superintendent, and the board of trustees. Our fiscal year begins on September 1 and ends on August 31<sup>st</sup>, and the various phases of the budgeting process are summarized as follows:



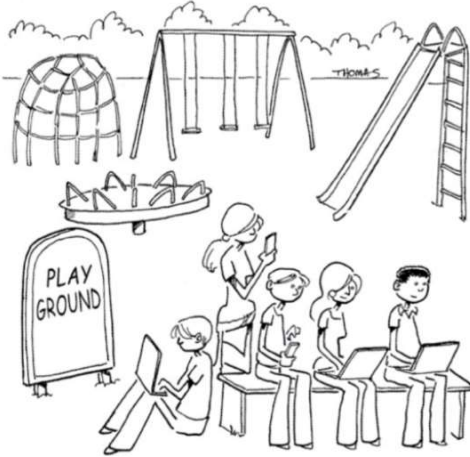
#### **Phase I Preparation**

This includes developing needs assessments, gap analysis and recommendations at the division level and submitting request through the **new HCDE platform** and the efinance system. A workflow of forms has been developed, and there are 21 forms required for this year. Stakeholders in each division must come together to forecast revenues and expenditures for next year keeping in mind the external and internal variables that affect the annual budget. **The deadline to submit the forms and budget requests is April 2, 2024.**

#### **Budget Division Review**

Once the Business Office receives the division requests, a budget meeting schedule is drafted to set review sessions by the Budget Committee consisting of Executive Team Members, Business Office Team Members, and each Division manager. During the session, the budget requests are identified, and the committee is provided with a list of documents about each division to include:

1. Division Mission and Goals
2. Outcome Based Objectives
3. Accountability Model projected for FY 25 and comparison to FY 24
4. SWOT Analysis
5. Budget Revenue Projections, if applicable
6. Budget Expenditure Projections
7. New Requests (If any) of Capital Outlay, New Personnel, or other new requests



### **Revenue & Expenditure Forecast**

Once divisions can present their requests and plans for FY 25, the Superintendent and the Executive Team Members will review the results of the sessions and identify priorities that are consistent with Strategic Board Goals and Superintendent Initiatives. This process may take several sessions and meetings to identify the appropriate level of funding and revenues and expenditures.

### **The Budget Report**

A consolidated fund summary is presented to the Superintendent for final review by the Assistant Superintendent along with a projected business model that will maximize resources and have the least amount of impact to the taxpayers of Harris County. Once the budget report is prepared, internal updates are made to the systems and

reports to prepare a Proposed Budget Document that is routed to the Board during the June Board Meeting. In anticipation of budget hearings, the Business Office will develop presentations, charts, manipulatives and summaries that will aid the Board in reviewing the Proposed Budget.

### **Phase 2 Adoption**

The next step is to review the budget with the Board of Trustees. Budget Workshops are scheduled in June and July to review the budget report and the various proposed initiatives and plans. The budget is set to be adopted in July 2024, and a public hearing is required to be conducted for all funds. Once adopted, the new year is opened in the efinance system, and the new accounts codes are available to the divisions.

### **Phase 3 Implementation**

#### **New Budget Report**

A new budget is implemented effective September 1<sup>st</sup>, and plans will be placed into action. The projected total Budget is expected to be opened for the new year, and requisitions can be initiated to encumber funds. The budget is posted on the website and the transparency page. Copies of the adopted budget is distributed to all divisions.

#### **Reporting**

On a monthly basis, the Board of Trustees received financial statements that compare budget to actual amounts for the month and cumulative totals. Financial indicators are developed and presented to the board each month. Budget amendments are presented to the board if the total budget is increased, and if there is a budget change among divisions. Budget transfers are those movements of funds within a division among object codes.



#### Phase 4 Audit Process

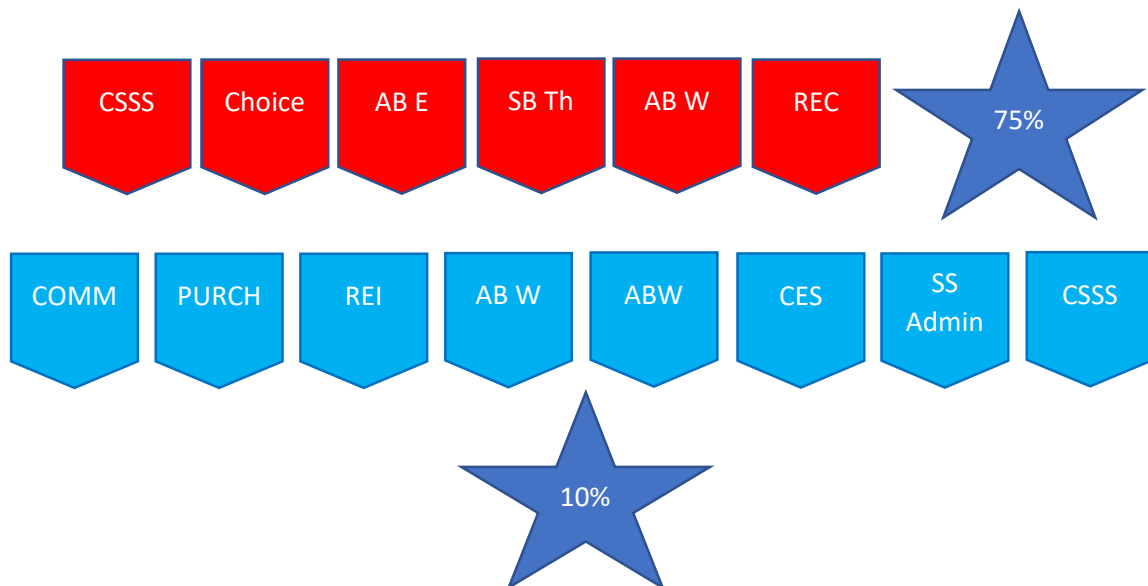
Budgets are part of the audit process each year, and the auditors review budget amendments for compliance and results are reported in the annual comprehensive financial report. All audit reports are presented to the board in January and posted on the HCDE website.

#### Summary

Based on this budget process, our budget goals will be achieved through a performance-based budget that focuses on the following objectives:

- A balanced budget
- Positive business model with identified benchmarks for each division
- Competitive and sustainable fee structure
- Leverage the tax base for grants and other revenue
- Systemwide efficiency through self-supporting service/revenue divisions and operationally efficient support divisions
- Identification of new revenue streams through projects and initiatives based on forecast models

Below is a list of divisions that have achieved the 2023 performance objectives and the top budget performers.



Please review the information provided and let us know if we can assist you during the budget process.



## **Mission Statement**

Harris County Department of Education supports Harris County by enriching educational opportunities and providing value through services.

## **Goals**

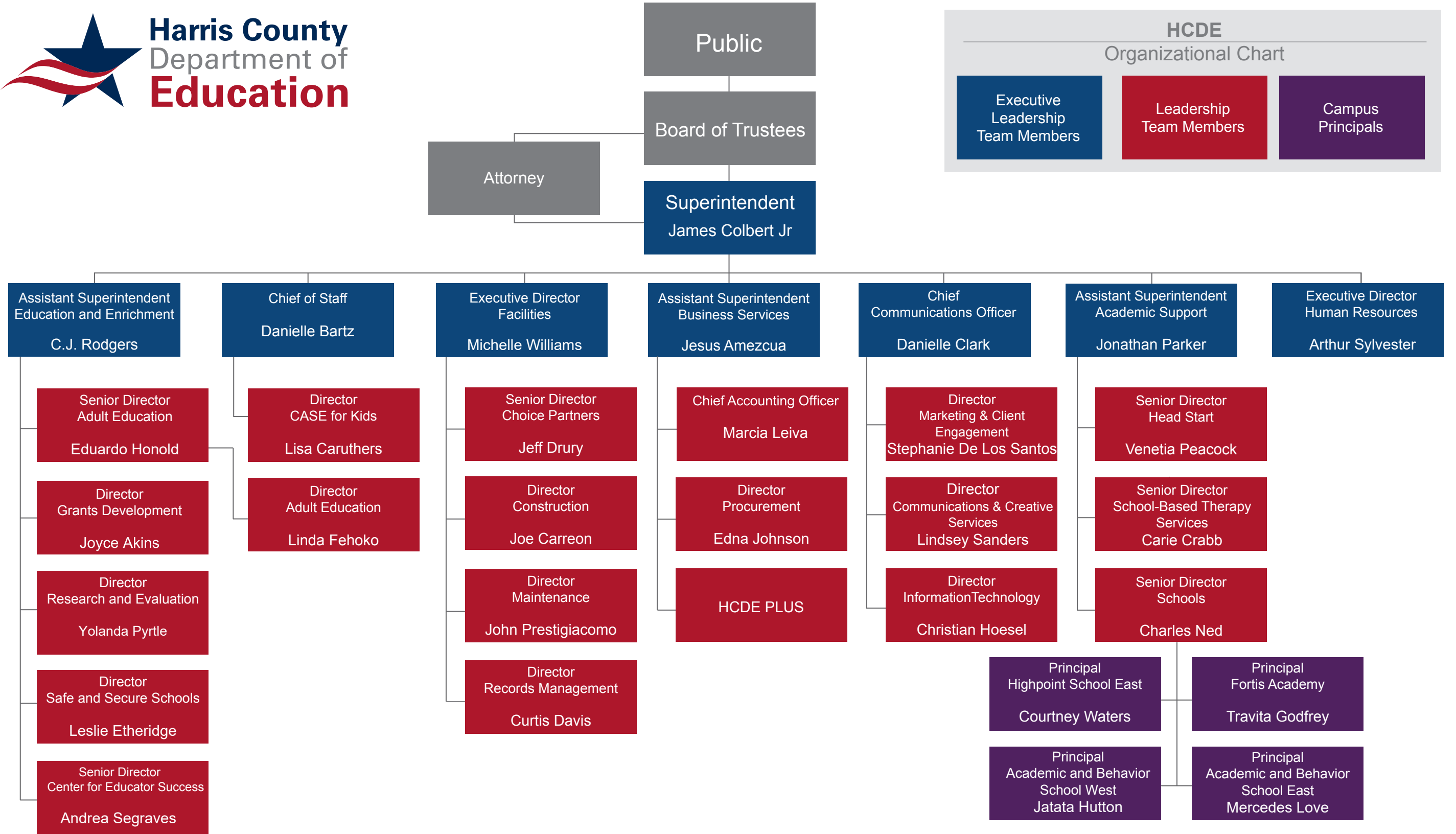
- Goal 1:** Impact education by responding to the evolving needs of Harris County
- Goal 2:** Deliver value to Harris County by utilizing resources in an ethical, transparent, and fiscally responsible manner
- Goal 3:** Advocate for all learners by using innovative methods to maximize students' potential
- Goal 4:** Provide cost-savings to school districts by leveraging tax dollars
- Goal 5:** Recruit and maintain a high-quality professional staff

"This book addresses Business Services critical goal to simplify business processes and to address improved customer services. Forms have been updated, and the gap analysis and performance objectives will be simplified to match accountability standards or grant standards by division"

– Dr. Jesus J Amezcua, PhD, CPA, RTSBA, CPFIM



**Harris County**  
Department of  
**Education**



# HARRIS COUNTY DEPARTMENT OF EDUCATION

## FY 2024-25 Budget Planning Calendar



	Date	Activity	Location	Participants
Budget Planning		Budget Planning with Budget Analyst & Accounting Staff		
	Friday, December 8, 2023	Strategic Planning Process Begins Cost of Service level to ISD	N/A	Divisions
	Friday, December 8, 2023	Cost of Services Report due	1:00 PM	Superintendent
	Wednesday, December 13, 2023	<u>Board Meeting, 1 PM</u> Approval of proposed calendar for FY 2024-25 Budget Year	1:00 PM Board Room	Board
	January 22 - 26, 2024	1st Qtr. Budget Review Meetings	TEAMS	Budget Managers
	Friday, January 19, 2024	Accountability Steering Committee - 9:00 am	TEAMS	Budget Managers
	Friday, February 23, 2024	Budget Information & Instructions Budget Planning Book on the HCDE portal	N/A	Business Services
Needs Assessment and Budget Development	Friday, March 1, 2024	Budget Planning / Preparation Training (Superintendent Initiatives)	9 AM Adult Ed 1010	Budget Managers Only
	Monday, March 4, 2024	Budget Entry Training	Adult Ed Tech Rm	Business Services - Budget Entry
	Tuesday, March 5, 2024	Budget Entry Training	Adult Ed Tech Rm	Business Services - Budget Entry
	Wednesday, March 6, 2024	Fee Setting Review for FY24	TEAMS 9 AM	Revenue Divisions
	Friday, March 8, 2024	Target Date for Needs Assessment to be Conducted	N/A	Divisions
	<b>March 11 - 15, 2024</b>	<b>Spring Break</b>		<b>Department Closed</b>
	March 27 to 30, 2024	2nd Qtr. Budget Review Meetings	TEAMS	Budget Managers
	Friday, March 29, 2024	DUE: Risk Assessment - Mid-Year Evaluation	Business Office	Budget Managers
	Tuesday, April 2, 2024	Proposed Budgets to Budget Analyst & SWOT Analysis & Packets DUE	N/A	Budget Managers
Budget Analysis and Superintendent Review	Friday, March 29, 2024	Final FY23-24 Accountability Objectives to be sent to Research & Evaluation	N/A	Budget Managers
	Friday, April 19, 2024	HCDE Goals & Strategic Plan Integration - Executive Team Leaders (ELT) - Annual Review	N/A	ELT Members
	Friday, April 26, 2024	Budget Committee Planning Workbook to Budget Committee		Business Services
	Monday, April 29, 2024	Budget Committee Planning Meeting	TBD	HCDE Budget Committee
	May 6-9, 2024	Division Budget Presentations	TBD	HCDE Budget Committee
	Tuesday, May 14, 2024	Supt. Budget Review Session: Draft 1 Proposed Budget	TBD	Superintendent Business & Assistant Superintendents
Board Workshops	Wednesday, June 19, 2024	Final Accountability Objectives Presented to the Board	Board Room	Superintendent Business Services
	Wednesday, June 12, 2024	Supt. Budget Review Session: Proposed Budget	400 A	Superintendent Business Services
	June 19 - 23, 2024	3rd Qtr. Budget Review Meetings	TEAMS	Budget Managers
	Thursday, June 27, 2024	BOARD Workshop Work Session #1	400 A	Board Budget Committee
	Saturday, June 29, 2024	Post <u>Budget Notice</u> in the <u>Houston Chronicle</u> and Post Budget on the web	N/A	Business Services
	Thursday, July 4, 2024	Agenda Items Due	N/A	Business Services
	Wednesday, July 17, 2024	BOARD WORKSHOP Budget Work Session #2	400 A	Board Budget Committee Superintendent, Bus. Services
Budget Approval	Wednesday, July 17, 2024	(1) BOARD Budget Committee Session # 3 Present Finalized Budget and Make Recommendation (2) Public Hearing on the Budget, 12:00 PM (3) <u>Board Meeting, 1:00 PM</u> and BUDGET APPROVAL	Board Room	Board Budget Committee, Superintendent Business Services Board Board
	Thursday, August 29, 2024	Risk Assessment Year-End Evaluation FY24 Budget is effective	N/A	Divisions
	Friday, September 13, 2024	Accountability Meeting Year End Reports		Budget Managers
	Wednesday, October 16, 2024	Board Presentation of Risk Assessment Document	Board Room	Board
	October 24 - 28, 2024	4th Qtr. Budget Review Meetings	TEAMS	Budget Managers

**HCDE Budget Committee:** Colbert, Parker, Rodgers, Clark, Bartz, Truitt, Vela, Amezcua, Leiva

# HCDE BUDGET PLANNING BOOK

## How to Use This Book

The purpose of the **Budget Planning Book** is to provide guidance related to the budgeting process. It is a reference document for use throughout the budget year:



### BASIS FOR BUDGETING PROCEDURES

Board policies CAA-LOCAL, Fiscal Management Goals and Objectives: Financial Ethics, and CE-LOCAL, Annual Operating Budget. (**Section 9-Board Policies Applicable to Budget Process.**)

**STEP 1:** Review the Budget Highlights (page 8) and Instructions for the Budget Process (page 15).

**STEP 2:** Attend the Budget Training Workshops:

Budget Preparation Training

- Friday, March 1, 2024 9AM, Rm 1010 Adult Ed

Budget Entry Training

- Monday, March 4, 2024 9AM, Adult Ed - Tech Rm
- Tuesday, March 5, 2024 9AM, Adult Ed - Tech Rm

Fee Schedule Review

- Wednesday March 6, 2024 9AM, TEAMS – for Revenue Divisions

**STEP 3:** Prepare and Submit Required Budget Forms by **April 2, 2024**  
**Section “PREPARATION & SUBMISSION” is your step-by-step instructions to the Budget submission process. (NEW: Risk Assessment instructions now available!)**

**STEP 4:** Division Budget Presentations will be held May 6 to May 9, 2024  
Katrina Cary (713) 696-8249 & Julia Watts (713) 696-1344 from Business Services will contact divisions and schedule the Budget Presentations.

**STEP 5:** Finalize budget and obtain Board approval on July 17, 2024

**Feedback is encouraged!**

E-mail or call Julia Watts at 713-696-1344 or Marcia Leiva at 713-696-8251 with your comments and suggestions.





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# Planning





## HIGHLIGHTS OF THE FY 2023–2024 BUDGET

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### BUDGET FORMS:

1. ~~Budget Return Form Checklist~~ (Inactive)
  - a. Use our new Budget Portal!

### Revenue & Expenditure Forms

2. Revenue Worksheet (complete in E-Finance, Data ports into Module for submission)
3. Revenue Detailed Worksheet
4. Expenditure Worksheet (complete in E-Finance. Data ports into Module for submission)
5. Expenditure Detailed Worksheet

### Rationale Forms

6. Needs Assessment Form
7. GAP Analysis and AROI
8. Capital Justification Form
9. Travel Justification Form
10. Request for Additional Funds Form
11. SWOT Analysis
12. Budget Manager Overview Form
13. Capital Project Request Form – Major Capital Project Request
  - a. 13.2: Score Sheet

### Other Support Forms

15. Position Listing Form
16. Position Request Form (if applicable)
17. Position Change Form (if applicable)
18. Divisional Organizational Chart (include all positions without names)
19. Fee Schedule & Grant Budgets – Revenue Generating Divisions
20. Replacement Asset Schedule
21. Fixed Asset Inventory

### **Personnel Costs**

Human Resources will calculate payroll costs based on the **Position Listing Forms**. Overtime and part time budget amounts must be filled in by budget manager if being requested. Business Services will input the payroll costs portion of your budget in the Budget Module. *Do not input any numbers in the payroll costs (6100) portion of your budget in the Budget Module or E-Finance.*

### **Grant Budgets**

Submit grant budgets for FY 2024-25. Estimated budgets are acceptable.

### **Budget Meetings:**

Division presentations will be **May 6-9, 2024**. Business Office Staff will contact the divisions directly to schedule the Budget Hearings.

### **Resources Available on the HCDE Portal:**

- FY 2024-2025 Budget Planning Book
- Account Codes folder
- Budget Books folder-available upon completion

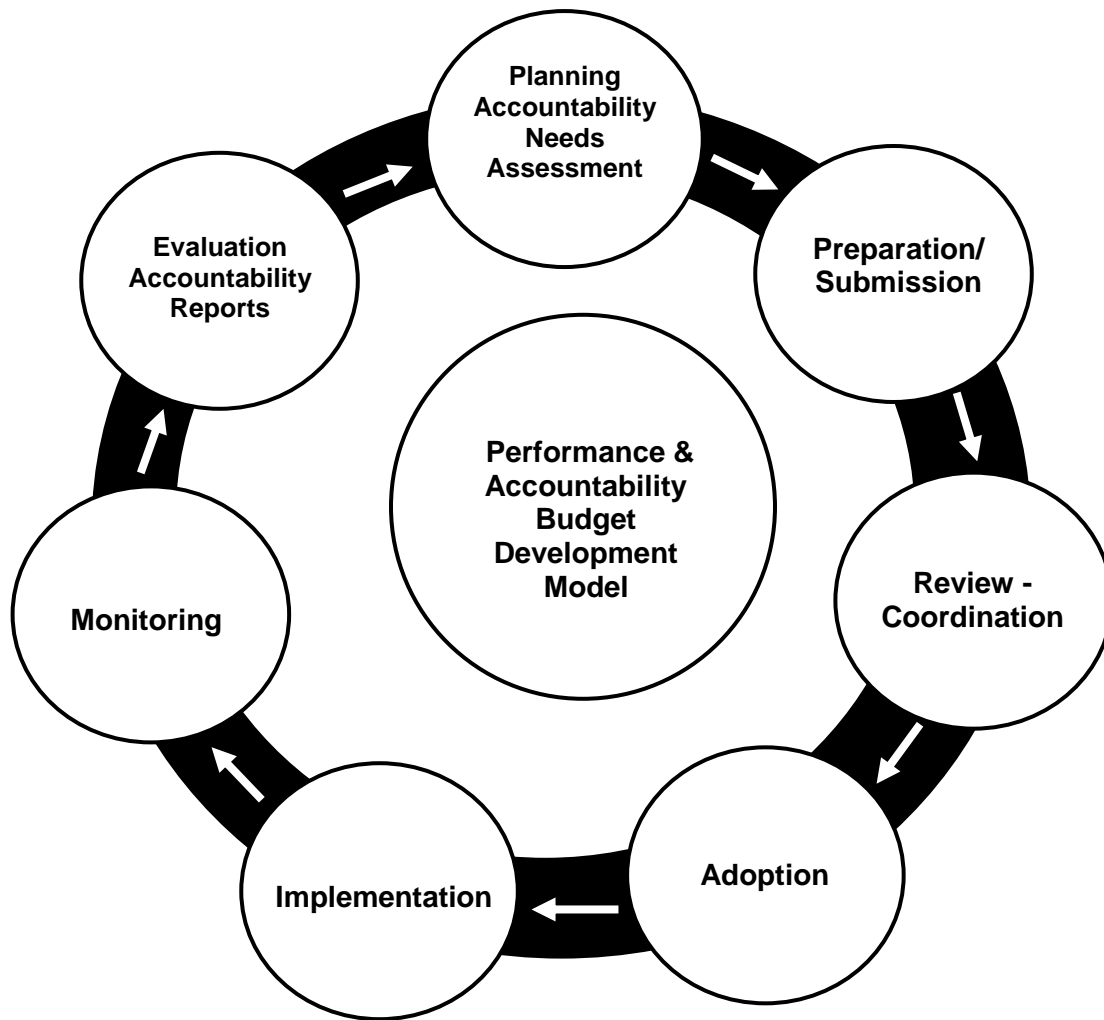
### **Indirect Costs**

Use the FY 2023-24 rate of 13.084% to estimate the indirect costs for your FY 2024-25 grants. If the indirect cost rate or amount is restricted for your grant, you must use the restricted rate or amount.

NOTE: The maximum indirect cost amount allowable must be used.

**Due Date: April 2, 2024**

## Budget Process & Development Model



Budgeting is a year-round activity, from the proposed budget estimates to the final amended budget and expenditures in the annual financial report.

Budgeting, implementation, and project performance are the responsibilities of the budget manager. The budget is a managerial tool. Planning is the key to successful budgeting.

Budget managers are also responsible for the accuracy and reasonableness of their estimates, for amending their budget in advance of incurring an expenditure, amending their budgets as circumstances and program needs change, and for the final results of their budget.



## BUDGET DEVELOPMENT PROCESS

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The annual Budget Development Process and the annual Planning Process are overlapping and augment one another, although the focus of each is different. The Budget Development Process is comprised of three major phases: planning, implementation, and evaluation.

The budgetary process begins with sound planning. Planning defines the goals and objectives and develops strategies to attain those goals and objectives. Once these plans have been established, budgetary resource allocations are made to support them. Budgetary resource allocation is the implementation phase of budgeting. The allocations cannot be made, however, until plans have been established.

Finally, the budget is evaluated for its effectiveness in attaining goals and objectives. Evaluation typically involves an examination of: How funds were expended, what outcomes resulted from the expenditure of funds, and to what degree these outcomes achieved the objectives stated during the planning phase. This evaluation phase is important in determining the following year's budgetary allocations. Budget preparation is not a one-time exercise to determine how funds are allocated rather, it is part of a continuous cycle of planning and evaluation to achieve department goals.

The development of division annual budgets should be part of ongoing planning processes and those levels. Beyond the budgetary requirements for federal and state programs, the HCDE board and the Superintendent largely will determine the budget preparation process and related budget responsibilities.

### PLANNING PHASE

The first phase of the Budget Development Process is planning. Planning involves defining the mission, goals and objectives of divisions and the department. Importance is placed upon sound budget planning for the following reasons:

- In implementing the type, quantity, and quality of divisional services, the budget becomes the limiting force.
- Providing quality education and services is very important to the public interest.
- The scope and diversity of the department's operations make comprehensive planning necessary for good decision-making.

Since strategies to attain the goals and objectives need to be developed before starting the actual budget calculation process, it is important that each division prepare statements in the "Goals and Objectives" and "Performance Evaluation" forms as the initial exercise in planning the annual division budget. This exercise comprises developing narrative and quantitative statements. These statements must be consistent with the HCDE Accountability System. This information will be used to analyze and justify the department's programs and operational request, as well as to ensure that individual division goals and objectives are consistent with the department's overall mission and goals. Line item budgeting remains the primary fiscal tool; thus, completion of the "Goals and Objectives" and "Performance Evaluation" forms is an important step in summarizing and evaluating each division and its budget.

Listed below are standardized definitions to be used in the development of these statements and completion of the appropriate forms. It is recommended that strict adherence to these definition parameters be kept in order to insure consistency throughout the department:

- *Division Function:* A statement of specific overall mission.
- *Division Goals:* "Broad" statements of desired results; ultimate accomplishments; overall end results.
- *Division Objectives:* "Specific" statements of desired program accomplishments; usually measurable; shows progress toward a goal; desired results of activities. Clearly stated measurable objectives should represent a concise summary of the principal work activities in which progress can be monitored and evaluated periodically throughout the fiscal year. Objectives should be stated in common "action-oriented phrases such as "to maintain," "to increase," "to reduce," "to facilitate," "to continue," etc. These are the same as the Accountability Objectives.
- *Performance Measures:* Specific quantitative and qualitative measures of work performed by division must be included in this section. Quantitative measures are defined as observable and in narrative format. These are the measures that Research & Evaluation analyze for the Accountability system.

With the Budget Development Process, divisions are allowed time to integrate the Department goals into their specific budget requests. During division budget hearings the Business Services Division will review revenue projections and refined budget requests to develop a preliminary department budget.

## **IMPLEMENTATION PHASE**

### **Revenue Projections**

In order to meet the future needs of the Department, directors should forecast the source and amount of resources or revenue available. Therefore, projections of revenue from the three major sources should be made. These revenue sources include Local, State, and Federal aid.

- **Local Revenues** typically consists of monies generated by the local tax efforts and fees for service. Factors that need to be taken into account include such things as assessed property values, property value growth/decline rates, applicable tax rates, historical collection rates. Factors for fees for service are market value for services, demand for service, and current market conditions.
- **State Revenues** traditionally consists of monies received as a result of state funding. The tool that plays a major part in the estimation of this type of resources is the state provided "Summary of Finances" which takes into account several components.
- **Federal Revenues** involve a variety of amounts and sources. These sources generally are federally distributed funds, which can flow through the department, Region Education Centers, Texas Education Agency, or directly from the federal source. Methods of allocations can vary from payment of indirect costs to applications for specific grants.

### **Expenditure Projections**

In order to support the mission, goals and objectives of the department, directors should forecast the operating costs for all funds necessary to achieve those intents. Expenditures/expenses should be classified by the major object classes according to the types of items purchased or services obtained. These budgetary allocations should project costs for the major expenditure categories (objects), which include:

- Payroll Costs (6100) are the costs of employee salaries and benefits. These costs make up 60% or more of annual operating expenditures and should be based primarily upon FTE projections. When appropriating this area, it is important that the division director conduct a full analysis of the personnel situation as well as submit recommendations addressing the findings. The "Position Listing" form is the management tool that can assist to address this issue. Therefore, this form needs to be completed and submitted to the Business Services Division by the Budget Request deadline.
- Professional and Contracted Services (6200), Supplies and Materials (6300) and Other Operating Costs (6400) are typically variable and miscellaneous expenditures. The completion of expenditure estimates for these costs should be directly related to service levels.
- Capital Outlay Costs (6600) includes items that are inventoried and become part of the department's fixed assets group such as furniture, audio-visual equipment, computer equipment, and other equipment. These costs should be forecasted and budgeted based on an overall department Replacement Asset Schedule rather than on a division basis, the proper "Capital Outlay Justification" form needs to be submitted as well.

Implementation, the second phase of the Budget Development Process, is the process of allocating resources to the prioritized needs of the department in support of its planned mission, goals, and objectives. Although budget formats and policies are by no means uniform in the public arena, formal budgets play a far more important role in the planning, control and evaluation of public entities than in those of privately owned organizations. In educational settings, the adoption of a budget implies that a set of decisions have been made by school board members and administrators which culminate in matching resources with its needs. As such, the budget is a product of the planning process. The budget also provides an important tool for the control and evaluation of sources and uses of resources. With the assistance of the accounting system, directors are able to execute and control the activities that have been authorized by the budget and evaluate performance based upon comparisons between budgeted and actual operations.

The link between planning and budget preparation in educational entities gives budgets a unique role in these organizations. Budgets in the public arena are often considered the ultimate policy document since they are the financial plan used to achieve its goals and objectives reflecting:

- Public choices about what goods and services will and will not be produced.
- The department's priorities among the wide range of activities in which they are involved.
- How a public entity has acquired and used its resources.

The budget, itself, then becomes intrinsically a political document reflecting administrators' accountability for fiduciary responsibility to citizens.

The annual operating budget or financial plan is proposed by the Superintendent and enacted by the Board of Trustees after public discussion.

Principals, Directors, and other department staff under the direction of the Superintendent, developed the budget. Budget Preparation Training will be held March 1, 2024. The budget deadline set for divisions will be April 2, 2024. During the months of March, April and May, various budget meetings will be scheduled with the Superintendent, the Executive Team and Division Directors.

The Superintendent's Budget Review Team reviewed various budget options for personnel and financing. This entails maintaining competitive salaries and benefits for our employees, providing adequate funding for services, providing for construction and repairs to facilities, and other miscellaneous projects.

Budget workshops will be held on June 12, June 27 and July 17 to review the preliminary budget estimates. The citizens of Harris County and Department employees were invited to attend the budget workshops. On July 17, 2024 we expect the Board of Trustees to approve the final budget which will be implemented on September 1<sup>st</sup>, 2024.

## **EVALUATION PHASE**

Evaluation is the last step of the department's budget cycle. Information is compiled and analyzed to assess the performance of each individual division and campus, as well as the Department as a whole. This information is a fundamental part of the planning phase for the following budget year.

In the educational context, budgeting is a valuable tool in both planning and evaluation processes. Budgeting provides a vehicle for translating educational goals and programs into financial resource plans. Thus, operational planning (to attain divisional goals) should determine budgetary allocations. This link between operations and financial planning is critical to effective budgeting. In addition, such a budgeting practice may enhance the evaluation of budgetary and educational performance since resource allocations are closely associated with instructional plans.

The budget also provides an important tool for the control and evaluation of sources and uses of resources. With the assistance of the accounting system, directors are able to execute and control the activities that have been authorized by the budget and evaluate performance based upon comparisons between budgeted and actual operations.

## **MEETING FORMAT**

Quarterly meetings for the review of the operation and results are scheduled. The first step in the preparation for the meeting is the preparation of the charts that summarize the budget and actual figures for the quarter review.

Meetings are scheduled during the second week of the following month to the quarter closing. Meetings take place at the division's location of the operation. The business office visits every division manager at his/her office. Sign In sheets are used and a questionnaire follows to report specific aspects for each division.

## **BUDGET ADMINISTRATION & FINANCIAL POLICIES**

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### **Legal Requirement for Budgets**

Legal requirements for school district budgets are formulated by the state, the Texas Education Agency ("TEA"), and the local district. In addition to these requirements, individual school districts also may have their own legal requirements for budget preparation. Additional legal requirements also may be imposed by state and federal grants; however, this section deals only with state legal mandates, TEA legal requirements and local district requirements for basic budget development and submission.

HCDE follows the legal budget requirements for school districts in accordance with the education code and the tax adoption requirements for counties in accordance with the Government code. HCDE policies can be found at <http://pol.tasb.org/Home/Index/578>.

### **Statement of Texas Law**

Sections 44.002 through 44.006 of the Texas Education Code establish the legal basis for budget development in school districts. The following six items summarize the legal requirements from the code:

1. The superintendent is the budget officer for the district and prepares or causes the budget to be prepared.
2. The district budget must be prepared by a date set by the state board of education, currently August 20<sup>th</sup>.
3. The president of the board of trustees must call a public meeting of the board of trustees, giving ten days public notice in a newspaper, for the adoption of the district budget. Any taxpayer in the district may be present and participate in the meeting.
4. No funds may be expended in any manner other than as provided for in the adopted budget. The board does have the authority to amend the budget or adopt a supplementary emergency budget to cover unforeseen expenditures.
5. The budget must be prepared in accordance with GAAP (generally accepted accounting principles) and state guidelines.
6. The budget must be legally adopted before the adoption of the tax rate.

### **Texas Education Agency (TEA) Legal Requirements**

TEA has developed additional requirements for school district budget preparation as follows:

1. The budget must be adopted by the board of trustees, inclusive of amendments, no later than August 31<sup>st</sup>.
2. Minutes from district board meetings will be used by TEA to record adoption of and amendments to the budget.
3. Budgets for the General Fund, the Food Service Fund (whether accounted for in the General Fund, a Special Revenue Fund or Enterprise Fund) and the Debt Service Fund must be included in the official district budget (legal or fiscal year basis). These budgets must be prepared and approved at least at the fund and function levels to comply with the state's legal level of control mandates.

### **Tax Authority**

HCDE received its tax authority in 1935 with a statute creating an equalization tax not to exceed of \$0.01.

HCDE follows Property Tax Code Chapter 26 for the tax setting process. HCDE follows the Texas Comptroller's Truth in Taxation - A Guide for Setting Tax Rates for Taxing Units Other than Schools.

### **Code of Ethics**

All Business Services and Purchasing Division employees are required to read and sign the HCDE Code of Ethics for Business Support Services and Purchasing Division Employees on an annual basis. The management of the Business Support Services and Purchasing Division is dedicated to making ethical and lawful choices by providing a structured code of ethics for its personnel to follow. Business Support Services and Purchasing Division employees shall model and promote ethical behavior to all HCDE employees through their behavior.

### **Risk Awareness**

Risk awareness is an organization wide process to address internal control and risk-based standards in an audit

requirement, per Statement of Auditing Standards (SAS) No. 115 Communicating Internal Control Related Matters, issued by the American Institute of Certified Public Accountants (AICPA). The finished product, the packet of completed forms, is provided to the independent auditors for their review during the audit process.

Each Division is given a Risk Awareness packet early in the budget process. This packet is completed and returned to the Business Office. The Business Office reviews each packet and looks for high risk items and discuss the reasons why the division manager considers the item a high risk. The information is documented and placed in folders for additional review. There is a Mid-Year review and assessment during the budget process in February in addition to a Year End Review by the Executive Team member for that division.

### **Fraud Prevention**

The HCDE Fraud Prevention Model and Awareness Program supports SAS #99 by communicating to management and others an awareness and understanding of FRAUD and educating management about FRAUD and the types of controls that will deter and detect FRAUD. The Business Office alone cannot prevent and/or detect all the types of FRAUD that may be perpetrated within the Department. It takes all HCDE employees being aware and being knowledgeable that FRAUD could occur to possibly prevent FRAUD from occurring or even detecting a FRAUD that has occurred.

### **HCDE Financial Policies**

In addition to state legal requirements, HCDE has established its own requirements for annual budget preparation. HCDE recognizes the importance of maintaining its financial integrity; therefore, it has developed this policy to support its mission and its goals and objectives. Five-year financial forecasts are used to estimate financial decisions on subsequent fiscal years. The forecasts are updated, reviewed, and evaluated annually by the Assistant Superintendent of Business Services to identify areas where resources have been over/under allocated. Long term financial plans will include, but not be limited to, an analysis that may include such factors as:

1. Economic growth rates
2. Property tax valuations
3. The full ongoing impacts of grants
4. The costs of new programs that are not fully funded
5. The difference between ongoing and one-time expenses and revenue
6. Analyze financial trends

HCDE's fiscal policies dictate budgetary requirements that go beyond those required by the Texas Education Code and TEA. These policies are delineated below.

Local Board Policies are reviewed and approved by the Board of Trustees periodically when there is a change in Federal or State Law. Administrative procedures are implemented consistent with Board Policy.

### **Fiscal Policy & Objectives**

#### ***Financial Stability***

In seeking to fulfill its mission, HCDE shall maintain a high level of financial stability and shall not compromise the long-term financial integrity to achieve short term benefits.

To provide adequate cash flow for its operations, HCDE shall maintain a fund balance (the difference between assets and liabilities in a governmental fund) with five categories to meet the GASB 54 requirements:

1. Non-Spendable fund balance
2. Restricted fund balance
3. Committed fund balance
4. Assigned fund balance
5. Unassigned fund balance

As of August 31, 2024, HCDE will have a fund balance of approximately 2 months of operating costs. To achieve this goal, the Superintendent and the Assistant Superintendent for Business Services are instructed to implement the following financial plan:



1. Develop and submit for Board approval a balanced budget with input from Division Managers to the Budget Committee. (A balanced budget means that for each fund, expenditures are not to exceed revenues plus available fund balances; if the fund balance is to be used, then this must be for a one-time cost and not reoccurring costs.)
2. Restrict any surplus funds towards unassigned fund balance.

### ***Funds from Operations***

Funds from operations should provide adequate funds to support its:

1. Special schools and alternative schools
2. Instructional programs
3. Capital programs
4. Debt service programs

### ***Revenue***

Revenue levels shall be evaluated with staff recommendations yearly, in consideration of:

1. Student growth assumptions
2. The projected level of expenditures
3. Facility and construction requirements
4. Current business conditions (local economy)
5. Economic projections (state economy, legislative issues, etc.)
6. Bond ratings

### ***General Operating Fund Expenditures***

General Fund expenditures shall maintain the following priorities of obligation:

1. Payments of all legal and reasonable expenditures relating to maintenance and operations of the HCDE operating fund.
2. Payments to meet all debt service requirements of outstanding bond indebtedness including the interest and sinking fund.
3. Payments to special revenue funds that require a matching for federal or state grants, including the CASE fund, the Head Start fund and others.
4. All net surpluses after payment of items 1 to 3 above may be used to fund necessary capital equipment purchases, facility expansion, and renovation. All remaining funds will go toward maintaining a budgeted ending cash balance (unassigned fund balance) which equates to at least two months of operating costs. This amount would be determined by first adding budgeted operations and maintenance costs plus debt service requirements. This total would be divided by 12 and then multiplied by two to calculate the two months operating costs requirements.

### ***Long Term Financing***

In the absence of surplus funds in item 4 above, the HCDE will utilize long term financing for capital projects and equipment funded through the maintenance and operations tax rate. Available mechanisms include the following:

1. Public Property Finance Contractual Obligations (PPFCO)
2. Time Warrants
3. Delinquent Tax Notes
4. Any other legal mechanism
5. Public Facilities Corporation (PFC)

### ***Short Term Financing***

HCDE will strive to minimize its short-term financing by maintaining a two-month unassigned fund balance. Based on cash flow projections, the Assistant Superintendent for Business may recommend to the Board to utilize short term financing to satisfy the cash flow requirements of the HCDE. Available mechanisms include the following:

1. Tax anticipation notes
2. Tax warrants
3. Delinquent tax notes

### ***Reporting –Department and Public Facilities Corporation (PFC)***

HCDE will prepare reports of financial operations as follows:

1. A monthly operating and financial report, requiring review by the Audit Committee and/or the Board as the Board deems necessary.
2. An annual financial plan (budget) detailing revenues, expenditures, and capital additions presented for approval prior to September 1 of each year. Midyear analysis and review shall be presented to the Board for approval.
3. An annual audit by an outside professional auditing firm that would include all necessary details in reconciling all the year's financial operation. The audit report will be submitted for review and approval to the Board after the end of the fiscal year. A copy of the audit report will be submitted to Harris County and other respective oversight agencies.

### **Investments**

#### ***Investment Authority***

Department depository and investment authority is established within the office of the Superintendent. By the authority of the Board, the Assistant Superintendent - Business Services, Chief Accounting Officer, and Senior Accountant are designated as the HCDE's investment officers. The investment officers are responsible for depositing funds, investing such funds, assuring that each investment has the proper authorized collateral, monitoring investments, assuring the security of HCDE's principal and interest, receiving and reporting principal and interest at the maturity of each investment, and providing the proper documentation and reports on such investments to the Superintendent and the Board in accordance with the HCDE's written investment policy and generally accepted accounting procedures.

The investment officers shall be bonded or shall be covered under a fidelity insurance policy. All investment transactions except investment pool funds and mutual funds shall be executed on a delivery-versus-payment basis.

#### ***Approved Investment Instruments***

From those investments authorized by law and described further in CDA (LEGAL), the Board shall permit investment of Department funds in only the following investment types, consistent with the strategies and maturities defined in this policy:

1. Obligations of or guarantees by, governmental entities as permitted by Government Code 2256.009.
2. Certificates of deposit and share certificates as permitted by Government Code 2256.010.
3. Fully collateralized repurchase agreements permitted by Government Code 2256.011.
4. A securities lending program as permitted by Government Code 2256.0115.
5. Banker's acceptances as permitted by Government Code 2256.012.
6. Commercial paper as permitted by Government Code 2256.013.
7. No-load money market mutual funds, as permitted by Government Code 2256.014.
8. No-load mutual funds as permitted by Government Code 2256.014.
9. A guaranteed investment contract as an investment vehicle for bond proceeds provided it meets the criteria and eligibility requirements established by Government Code 2256.015.
10. Public funds investment pools as permitted by Government Code 2256.016, .019.
11. Corporate bonds as permitted by Government Code 2256.0204 (a)-(c).

#### ***Safety and Investment Management***

The main goal of the investment program is to ensure its safety and maximize financial returns within current market conditions in accordance with this policy avoiding any financial risk. Investments shall be made in a manner that ensures the preservation of capital in the overall portfolio, and offsets during a 12-month period any market price losses resulting from interest-rate fluctuations by income received from the balance of the portfolio. No individual investment transaction shall be undertaken that jeopardizes the total capital position of the overall portfolio.

***Liquidity and Maturity***

Any internally created pool fund group of HCDE shall have a maximum dollar weighted maturity of 180 days. The maximum allowable stated maturity of any other individual investment owned by HCDE shall not exceed one year from the time of purchase. The Board may specifically authorize a longer maturity for a given investment, within legal limits. HCDE's investment portfolio shall have sufficient liquidity to meet anticipated cash flow requirements.

***Diversity***

The investment portfolio shall be diversified in terms of investment instruments, maturity scheduling, and financial institutions to reduce risk of loss resulting from over concentration of assets in a specific class of investments, specific maturity, or specific issuer. It does not apply to U.S. Treasury securities and money market mutual funds.

***Monitoring Market Prices***

The investment officer shall monitor the investment portfolio and shall keep the Board informed of significant declines in the market value of HCDE's investment portfolio. Information sources may include financial / investment publications and electronic media, available software for tracking investments, depository banks, commercial or investment banks, financial advisors, and representatives / advisors of investment pools or money market funds. Monitoring shall be done monthly, or more often as economic conditions warrant by using appropriate reports, indices, or benchmarks for the type of investment.

***Funds / Strategies***

Investments of the following fund categories shall be consistent with this policy and in accordance with the strategy defined below.

- Operating Funds – Investment strategies for operating funds (including any co-mingled pools containing operating funds) shall have as their primary objective's safety, investment liquidity, and maturity sufficient to meet anticipated cash flow requirements.
- Agency Funds – Investment strategies for agency funds shall have as their objective's safety, investment liquidity, and maturity sufficient to meet anticipated cash flow requirements.
- Debt Service Funds – Investment strategies for debt service funds shall have as their objective sufficient investment liquidity to timely meet debt service payment obligations in accordance with provisions in the bond documents. Maturities longer than one year are authorized provided legal limits are not exceeded.
- Capital Projects – Investment strategies for capital project funds shall have as their objective sufficient investment liquidity to timely meet capital project obligations. Maturities longer than one year are authorized provided legal limits are not exceeded.

***Safekeeping and Custody***

HCDE shall retain clearly marked receipts providing proof of HCDE's ownership. HCDE may delegate, however, to an investment pool the authority to hold legal title as custodian of investments purchased with HCDE funds by the investment pool.

***Brokers / Dealers***

Prior to handling investments on behalf of HCDE, brokers / dealers must submit required written documents in accordance with Law. Representatives of brokers / dealers shall be registered with the Texas State Securities Board and must have membership in the Securities Investor Protection Corporation (SIPC) and be in good standing with the Financial Industry Regulatory Authority (FINRA).

***Soliciting Bids for CD's***

To get the best return on its investments, HCDE may solicit bids for certificates of deposit in writing, by telephone, or electronically, or by a combination of these methods.

***Internal Controls***

A system of internal controls shall be established and documented in writing and must include specific procedures designating who has authority to withdraw funds. Also, they shall be designed to protect against losses of public funds arising from fraud, employee error, and misrepresentation by third parties, unanticipated changes in financial markets, or imprudent actions by employees and officers of HCDE. Controls deemed most important shall include:

1. Separation of transaction authority from accounting and recordkeeping and electronic transfer of funds.
2. Avoidance of collusion.
3. Custodial safekeeping.
4. Clear delegation of authority.
5. Written confirmation of telephone transactions.
6. Documentation of dealer questionnaires, quotations and bids, evaluations, transactions, and rationale.
7. Avoidance of bearer-form securities.

These controls shall be reviewed by HCDE's independent auditing firm.

### ***Portfolio Report***

In addition to the quarterly report required by law and signed by HCDE's investment officer, a comprehensive report on the investment program and investment activity shall be presented annually to the Board. This report shall include a performance evaluation that may include, but not be limited to, comparisons to 91-day U.S. Treasury Bills, six-month U.S. Treasury Bills, the Fed Fund rate, the Lehman bond index, and rates from investment pools. The annual report shall include a review of the activities and total yield for the preceding 12 months, suggest policies, strategies, and improvements that might enhance the investment program, and propose an investment plan for the ensuing year. The Government Treasurers' Organization of Texas (GTOT) has certified our policy.

### **Ad-Valorem Taxes**

#### ***Discounts***

Discount options shall not be provided for the early payment of property taxes in HCDE.

#### ***Split Payments***

Split payment of taxes shall be allowed in accordance with statutory provisions.

### **Purchasing & Acquisition**

#### ***Purchasing Authority***

The Board delegates to the Superintendent or designee the authority to determine the method of purchasing, in accordance with HCDE Board policy CH (LEGAL), and to make budgeted purchases. However, any single budgeted purchase of good or services that costs or aggregates to a cost of \$50,000 or more shall require procurement. In accordance with CH LEGAL, there are 7 methods of procuring goods and services:

- (1) competitive bidding for services other than construction services;
- (2) competitive sealed proposals for services other than construction services;
- (3) a request for proposals, for services other than construction services;
- (4) an interlocal contract;
- (5) a method provided by Chapter 2269, Government Code, for construction services;
- (6) the reverse auction procedure as defined by Section 2155.062(d), Government Code; or
- (7) the formation of a political subdivision corporation under Section 304.001, Local Government Code.

In addition, contracts amounting to more than \$75,000 must be approved by the Board according to HCDE Board policy CH (LOCAL). Additionally, all purchases of political services, including, without limitation, lobbying services, shall require Board approval. The Board is informed of purchases that aggregate to \$50,000 or greater from a single vendor in the absence of prior Board approval.

A competitive bid and a competitive proposal are both purchasing methods that may be used when making formal purchases valued at \$50,000 or greater. The key difference between the two methods is that the competitive bid does not allow for negotiation and the competitive proposal does allow for negotiations.

### ***Competitive Bidding***

Competitive Bids, or Invitation to Bid ("ITB"), are used when you can clearly define what goods or services you need. If competitive bidding is chosen as the purchasing method, the Superintendent or designee shall prepare bid specifications. All bids shall be submitted in sealed envelopes, plainly marked with the name of the bidder and the time of opening. All bidders shall be invited to attend the bid opening. Any bid may be withdrawn prior to the scheduled time for opening. Bids received after the specified time shall not be considered. The Department may reject any and / or all bids.

### ***Competitive Sealed Proposals***

Competitive Proposals and Request for Proposal ("RFP"), are used when the user has a good idea of what he / she wants but there might be different ways of arriving at the same goal. Competitive proposals may be the preferred method of acquisition when the need exists to generate a spectrum of alternative responses to the need proposed and to retain the ability to refine these responses through negotiation. The competitive proposal will have a scope of work that describes the goods or services being purchased and the application, but HCDE is going to leave it up to the company as to how to best accomplish the end result. Competitive Sealed Bids is used on generic goods or services that normally are awarded to low bidder meeting specifications. RFP is used on more complicated purchases that require an evaluation to take place along with possible negotiations. If competitive sealed proposal method is chosen as the purchasing method, the Superintendent or designee shall prepare the request for proposals and/or specifications for items to be purchased. All proposals shall be submitted in sealed envelopes, plainly marked with the name of the proposer and the time of opening.

Proposals received after the specified time shall not be considered. Proposals shall be opened at the time specified, and all proposers shall be invited to attend the proposal opening. Proposals may be withdrawn prior to the scheduled time of opening. Changes in the content of a proposal, and in prices, may be negotiated after proposals are opened. HCDE may reject any and / or all proposals.

### ***Responsibility for Debts***

The Board shall assume responsibility for debts incurred in the name of the Department so long as those debts are for purchases made in accordance with adopted Board policy and current administrative procedures regarding purchases and expenditures. The Board shall not be responsible for debts incurred by unauthorized persons or organizations not directly under Board control or who were acting outside their Departmental authority. Full responsibility for payment of unauthorized purchases shall be assumed by persons making such purchases.

### ***Purchase Commitments***

Purchase commitments shall be made by the Superintendent or the Superintendent's designee on properly drawn and issued Departmental documents.

### ***Conflict of Interest rules***

HCDE has developed conflict of interest rules for all its employees in the past. Effective with new federal EDGAR rules under 2 CFR Section 200 and Chapter 176 of the Texas Local Government Code, conflict of interest guidelines are in effect which impact employees who plan, recommend, select, and implement grants and contracts.

HCDE (i.e. Districts) is required to comply with House Bill 1295, which amended the Texas Government Code by adding Section 2252.908, Disclosure of Interested Parties. Section 2252.908 prohibits HCDE from entering a contract resulting from this RFP with a business entity unless the business entity submits a Disclosure of Interested Parties (Form 1295) to the HCDE at the **time business entity submits the signed contract**. The Texas Ethics Commission has adopted rules requiring the business entity to file Form 1295 electronically with the Texas Ethics Commission.

### **EDGAR Conflict of Interest Requirements**

It should be noted that in accordance with EDGAR requirements as amended on Dec 26, 2014 under 2 CFR Part 200, the requirements include the following: No employee, officer, or agent may participate in the selection, award, or administration of a contract if he or she has a real or apparent conflict of interest. Such a conflict of

interest would arise when the employee, officer, or agent, any member of his or her immediate family, his or her partner, or an organization which employs or is about to employ any of the parties indicated herein, has a financial or other interest in or a tangible personal benefit from a firm considered for a contract. The officers, employees, and agents of HCDE may neither solicit nor accept gratuities, favors, or anything of monetary value from contractors or parties to subcontracts. However, HCDE has set a de minimis amount of less than \$50 per year for items that are unsolicited and of minimal and promotional items. Violations of this standard by an employee will be reported to the Superintendent's Office and addressed through our personnel policies. Violations of this standard by an officer or the Superintendent shall be addressed to the Board President and addressed through the board policies.

### **State of Texas Conflict of Interest requirements**

In addition, Chapter 176 of the Local government Code, a local government officer shall file a **conflict of interest disclosure** with respect to a vendor if: (1) the vendor enters a contract with the local government entity or the local governmental entity is considering entering a contract with the vendor **AND**, (2) the vendor has **(A)** an employment or other business relationship with the local government officer or a family member of the officer that results in the officer or family receiving taxable income, other than investment income, that exceeds **\$2,500** during the 12-month preceding the date that the officer becomes aware that: (i) A contract between the local governmental entity and vendor has been executed by (ii) The local governmental entity is considering entering a contract with the vendor **(B)** has given to the local government officer or a family member of the officer one or more gifts that have an aggregate value of more than \$100 in the 12-month period preceding the date the officer becomes aware that (i) a contract between the local governmental entity and vendor has been executed or (ii) the local governmental entity is considering entering into a contract with the vendor or **(C)** has a family relationship with the local government officer.

### **Personnel**

#### ***New Positions***

Any new positions of employment shall be prominently described and set out in the budget for the fiscal year in which the position is created and shall be approved by the Board at the time that the budget is approved. Notice of vacancies shall be posted at campuses but not be limited to campuses.

New positions created after approval of the budget shall be approved by the Board at public meeting before the positions can be advertised, offered, or funded. For fiscal year 2023-2024, there are 40.9 new positions added to the budget that are budget neutral.

### **Annual Operating Budget**

#### ***Fiscal Year***

HCDE operates on a fiscal year beginning September 1 and ending August 31.

#### ***Budget Planning***

Budget planning is an integral part of overall program planning so that the budget effectively reflects the HCDE's programs and activities and provides the resources to implement them. In the budget planning process, general educational goals, specific program goals, and alternatives for achieving program goals shall be considered, as well as input from the HCDE Administration, division managers, and campus-level planning. Budget planning and evaluation are continuous processes and are part of each month's activities.

#### ***Availability of Proposed Budget***

After it is presented to the Board and prior to adoption, a copy of the proposed budget shall be available upon request from the business office or Superintendent. The Superintendent or designee shall be available to answer questions arising from inspection of the budget.

#### ***Budget Meeting***

The annual public meeting to discuss the proposed budget and tax rate shall be conducted as follows:

1. The Board President shall request at the beginning of the meeting that all persons who desire to speak on the proposed budget and/or tax rate sign up on the sheet provided.



2. Prior to the beginning of the meeting, the Board may establish time limits for speakers.
3. Speakers shall confine their remarks to the appropriation of funds as contained in the proposed budget and/or the tax rate.
4. No Trustee, officer, or employee of HCDE shall be required to respond to questions during the meeting from speakers or the public.

### ***Authorized Expenditures***

The adopted budget provides authority to expend funds for the purposes indicated and in accordance with state law, Board policy, and HCDE's approved purchasing procedures. The expenditure of funds shall be under the direction of the Superintendent, Assistant Superintendent - Business Services, or appropriate designee who shall ensure that funds are expended in accordance with the adopted budget.

### ***Budget Amendments***

The budget shall be amended when a change in expenditures is made between or among divisions or increasing / decreasing revenue object accounts and other resources.

### **Budget Amendments / Transfers**

Budget amendments / transfers must be aligned with modifications to division plans. For any significant change made to a division budget, the change must be reflected in their division plan. In the processing of the budget amendment, the division must include required documentation. Budget amendments will not be approved if the required documentation is not included with the amendment form. Budget transfers are approved online and require division budget manager approval. Budget transfers over \$25,000 require Assistant Superintendent for Business' approval.

### **Budget Transfers & Amendments Signature Authority**

Administration is authorized to move funds between line items. The budget shall be amended when a change in expenditures is made between or among divisions increasing/decreasing revenue object accounts and other resources. The Board delegates to the Superintendent or the Superintendent's designee the authority to approve budget amendments of less than \$200,000 and that do not result in a change to fund balance. Budget amendments of \$200,000 or more or that result in a change to fund balance shall require Board approval.

For Special Revenue Funds, intra-function budget transfers are subject to the approval by the granting agency. The Superintendent is authorized to apply for grants, approve commitment of district funds for matching, cost sharing, cooperative or jointly funded projects up to the amounts specifically allowed under the district budget approved by the board and approve grant and award amendments as necessary, and approve grant budgets and amendments as necessary.

### **Capital Expenditures Policies**

Capital Expenditures are funds committed for improving facilities or for the construction of new facilities. Capital expenditures also include costs of maintenance and operations on facilities and are financed through various funds depending on available funding. The Budget Process includes a review of capital expenditures to be undertaken with General Funds (if any) or the need for additional bonds.

### **New Purchases**

Capital assets are identified as any item having a value of \$5,000 or more and have an expected useful life of more than one year. Items should be considered individually and not in groups when using these criteria. The only exceptions are computers and printers. These items are charged to object code 663X (new purchase).

Assets having a value of \$1,000 or more, but less than \$5,000-unit cost should use object codes 6393 (new purchase). Sensitive items with unit cost of \$250 to \$1000 should use the account 63990006. Items, such as desks, file cabinets, etc., under \$1,000 should be charged to general supply object code 6399. For purchases of computer software including site license, application, and anything associated with software, the code 6397 is used.

The funds utilized for capital expenditures include the following:

- **PFC Fund** – capital expenditures are funded through this fund when a new bond is issued and committed for capital expenditures
- **Local Construction Fund** – capital expenditures are funded on a pay as you go basis and funded from excess General Funds. These projects and capital expenditures are appropriated annually.
- **Facilities Fund** – capital expenditures are funded on a pay as you go basis and funded from facilities charges allocated to all divisions. These projects and capital expenditures are appropriate annually.

**One Time Expenditures and Capital Expenditures**

For FY24, planned one-time expenditures from the General Fund balance \$701,000 are as follows:

Booking Software	\$50,000
Intranet Portal	75,000
Solution Enterprise - Laserfiche	200,000
Photo Equipment	26,000
Servers	350,000
Total fund balance capital expenditure appropriations	<u>\$701,000</u>

# **BUDGETARY CONTROL & BASIS OF ACCOUNTING**

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## **Reporting Entity**

The County School Board ("Board"), a seven-member group, has governance responsibilities over all departmental activities within the jurisdiction of the Department. The Board is elected and has the exclusive power and duty to govern and oversee the management of the Department. All powers and duties not specifically delegated by statute to the Texas Education Agency ("TEA") or the State Board of Education are reserved for the Board, and the TEA may not substitute its judgment for the lawful exercise of those power and duties by the Board. The Department receives funding from local, state, and federal government sources and must comply with the requirements of those funding entities. The Department is considered an independent entity for financial reporting purposes and is considered a primary government.

## **Accounting System Structure**

The Business Support Services division is responsible for providing all Department financial services including financial accounting and reporting, payroll and accounts payable disbursement functions, cash and investment management, debt management, budgeting, fixed assets, tax office collections, and special financial and policy analyses to Department management. The Assistant Superintendent for Business Services, appointed by the Superintendent, has oversight responsibility of the division's operations.

The Department's hardware includes three servers that are virtualized as well as numerous personal computers and system terminals. The Department utilizes the eFinancePlus a software application from PowerSchool which during February of 2017 acquired SunGard, the manufacturer of Pentamotion software application and computerized financial accounting system, which includes a system of internal accounting controls. Such controls have been designed and are continually being reevaluated to provide reasonable, but not absolute assurance for the safeguarding of assets against loss from unauthorized use of disposition and the reliability of financial records for preparing financial statement and maintaining accountability of the Department's assets.

The concept of reasonable assurances recognizes that the cost of a control should not exceed the benefits likely to be derived, and the evaluation of costs and benefits requires estimates and judgments by management. All internal control evaluations occur within this framework and are believed to adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

## **Basis of Accounting**

Accounting records for governmental fund types are maintained on a modified accrual basis with revenues recorded when services or goods are received, and the liabilities when incurred.

The modified accrual basis of accounting is used for the governmental fund types. The basis of accounting recognizes revenues in the accounting period in which they become susceptible to accrual (i.e., both measurable and available), and expenditures in the accounting period in which the fund liability is incurred, if measurable, except for certain compensated absences, which are recognized when obligations are expected to be liquidated with expendable, available financial resources.

Federal grant funds are generally considered to be earned to the extent of expenditures made under the provisions of the grant and, accordingly, when such funds are received, they are recorded as deferred revenues until earned.

## **Basis of Budgeting**

Harris County Department of Education accounting policies substantially comply with the rules

prescribed in the Texas Education Agency's Financial Accountability System Resource Guide and conforms to generally accepted accounting principles applicable to governmental units. The Board of Trustees requires that annual budget be adopted for the General Fund. Budgets are prepared using the same accounting basis (modified accrual) as for financial statements. The modified accrual basis of accounting recognizes revenues in the accounting period in which the fund liability is incurred, if measurable, except for un-matured interest and principal on long-term debt, which is recognized when due.

The Special Revenue Funds and Capital Projects Funds adopt project-length budgets which might not correspond with the Department's fiscal year. Following is a description of the Department's funds. The basis of budget and the basis of accounting are shown in the chart below:

<b>Fund Type</b>	<b>Operating Budget</b>	<b>Audited Financial Statements</b>
<b>Governmental</b>		
General Fund	Modified Accrual	Modified Accrual
Special Revenue Fund	Modified Accrual	Modified Accrual
Debt Service Funds	Modified Accrual	Modified Accrual
Capital project Fund	Modified Accrual	Modified Accrual
<b>Proprietary</b>		
Internal Service Funds	Accrual	Accrual
Enterprise Funds	Accrual	Accrual
<b>Fiduciary</b>		
Custodial Funds	Accrual	Accrual

### **Funds and Fund Types**

The Department's accounting system is organized and operated on a fund basis and account groups. In addition, the department budgets on an organizational unit basis within each fund. Each fund is considered a separate accounting entity. The operations of each fund are accounted for through a separate set of self-balancing accounts that are comprised of its assets, liabilities, fund equity, revenue, and expenditures and / or expenses. Governmental resources are allocated and accounted in individual funds based upon the purposes for which spending activities are controlled. The Department utilizes the following fund types:

#### ***Governmental fund type***

General Fund – used to account for financial resources used for general operations. Any fund balances are considered resources available for current operations. All general tax revenues and other receipts that are not allocated by law or contractual agreement to other funds are accounted for in this fund. Included in this fund is the Local Construction and the Retirement Fund.

Special Revenue Funds – used to account for resources restricted to, or designated for, specific purposes by a grantor. Federal, state, and local grants are accounted for in a separate special revenue fund.

Debt Service Fund – used to pay interest, related costs and to retire long-term debt. A transfer from the General Fund is made to fund for debt issued by using the maintenance and operations taxes.

**Capital Projects Fund** – accounts for the proceeds of general obligation bond sales. Revenues from sale of bonds are used for acquiring sites, constructing, and equipping new facilities and renovating existing facilities. The Harris County Department of Education Public Facility Corporation (PFC) issues bonds to provide for the acquisition of and the construction and renovation of educational facilities in accordance with the Public Facility Corporation Act. On October 5, 2021, the department issued maintenance notes in the amount of \$13,695,000 and Lease Revenue Bond Series 2021 in the amount of \$27,730,000. The department also projects to use \$5,740,000 from its fund balance in the general fund to implement the 2020 capital program. Major programs and construction projects include:

1. New AB East Campus - Completed
2. High Point East Campus for Middle School - Completed
3. Adult Ed Center - Completed
4. Irvington Building renovations - Ongoing for FY24

Proposed new programs for Capital Improvement Plan Phase Two include:

- a) \$10,000,000 for the Equine Center to be funded from the New Adopted Lease Revenue Bond 2023 plus \$2 Million from fund balance and \$5 Million from the Harris County Commissioner's Court.
- b) \$16,313,000 for Maintenance Projects to be funded from the 2024 Maintenance Notes:

Projects for 2024		Projects for 2025	
\$6,000,000	Irvington Renovation	\$5,000,000	NPO Roof & HVAC Replacement
\$1,000,000	Technology Infrastructure	\$1,700,000	Fortis Academy Roof Replacement
\$470,000	Barrett Station (Headstart) Deck and Canopy	\$1,000,000	Furniture/Equipment
\$493,000	Demolition at Auxiliary Sites	\$650,000	Fortis Academy Roof Replacement

### ***Proprietary fund types***

**Internal Services Fund** – used to account for revenues and expenses related to services provided by one division within the Department to other divisions. This fund facilitates distribution of facility support costs to the users of support services and workers compensation costs through a modified self-insurance program prior to FY15-16. Beginning September 1<sup>st</sup>, 2016 HCDE is fully insured with external insurance carriers. For fiscal year 2023-2024, HCDE was fully insured with Texas Association of Schools Board (TASB) Risk Pool.

**Enterprise Fund** – used to report an activity for which a fee is charged to external users of goods and services. It is to account for Choice Partners Cooperative.

### ***Fiduciary fund types***

**Custodial Funds** – used to account for clearing accounts and campus activities funds and are not budgeted.

## HCDE Fund Codes

<b>100 - GENERAL FUND</b>	<b>400 - LOCAL GRANTS - CONT.</b>
199-GENERAL FUND	468-COUNTY CONNECTION PROGRAM
<b>200 - FEDERAL GRANTS</b>	475-EARLY HEAD START IN-KIND
205-HEAD START	479-HEADSTART INKIND
206-HEAD START TRAINING	495-HOGG GRANT - MENTAL HEALTH
208-EDUCATORS & FAMILIES ENGL	496-LOC-HOGG FOUNDATION
209-HS - COOLWOOD CONSTRUCTIO	498-LOC-OTHER LOCAL GRANTS
212 - 2022 HS CARE RELIEF FUNDS	<b>500 - DEBT SERVICE</b>
213-TECQ/ AUDUBON	599-DEBT SERVICE ADMIN
214-EARLY HEADSTART START-UP	<b>600 - CAPITAL PROJECT FUNDS</b>
215-EARLY HEADSTART OPERATION	692-MAINTNENCE NOTE 2024
216-EARLY HEADSTART T&TA	693-DISASTER RELIEF FUND
218-HS - COOLWOOD LAND ACQUI	694-CAPITAL PROJECTS - PFC
224 - TCEQ - ENGAG COMMUN CASE	695-CAPITAL PROJ LOCAL FUNDS
230-FED ADULT ED REGULAR	696-LA PORTE HS CONSTRUCTION
234-FED-ADULT ED-EL/CIVICS	697-CAPITAL PROJECT FUND
237 - EMPLOYER ENGAGEMENT	698-PFC REFUNDING BONDS
238 - FAMILY MATH LITERAC	699-PUBLIC FACILITIES CORP
264-FED 21ST CENT CYCLE 12	<b>700 - PROPRIETARY FUNDS</b>
265-21ST CENTURY - CYCLE 11	711-CHOICE PARTNERS
268-FED 21ST CENTURY CYCLE 10	753-ISF-WORKERS COMPENSATION
286-TX COUNCIL DEV DISABILITY	799-ISF-FACILITIES
288-FED-AFTER SCHOOL PTNRSHIP	<b>800 - FIDUCIARY - TRUST/CUSTODIAL FUNDS</b>
<b>400 - LOCAL GRANTS</b>	811-HIGHPOINT EAST ACTIVITY
427-DISASTER RECOVERY	815-COURTESY COMMITTEE
432 - ACCESS - ADULT ED	829-BLAIR ENDOWMENT FUND
437-HS - DISASTER RELIEF COVI	<b>900 - ACCOUNT GROUPS</b>
451-DCF - EPP GRANT	901-GENERAL CAPITAL ASSETS
462 - EVERY HOUR COUNTS	902-PFC CAPITAL ASSETS
463-LOC-HOUSTON ENDOWMNET	903-LONG TERM DEBT
467-LOC-CITY OF HOUSTON	904-LONG TERM DEBT PFC

### Accounting Measurement Focus

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. The Governmental Fund Types are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

The modified accrual basis of accounting is used for the Governmental Fund Types and Permanent Funds. This basis of accounting recognizes revenues in the accounting period in which they become susceptible to accrual, i.e., both measurable and available, and expenditures in the accounting period in which the fund liability is incurred, if measurable, except for un-matured interest on general long-term debt, which is recognized when due and certain compensated absences and claims and judgments, which are recognized when the obligations are expected to be liquidated with expendable



available financial resources.

Revenues from local sources consist primarily of contract fees from local school districts and property tax revenues. Contract revenues and property tax revenues are recognized under the susceptible-to-accrual concept. Miscellaneous revenues are recorded as revenue when received in cash because they are generally not measurable until actually received. Investment earnings are recorded as earned, since they are both measurable and available.

Grant funds are considered to be earned to the extent of expenditures made under the provisions of the grant. Any excess revenues at fiscal year-end are recorded as deferred revenue or due to grantor, as necessary.

Proprietary Fund Types and Fiduciary Fund Types use the accrual basis of accounting. This basis of accounting recognizes revenues in the accounting period in which they are earned and become measurable, and expenses in the accounting period in which they are incurred and become measurable

### **Property Taxes**

Property taxes are levied on the assessed value listed as of the prior January 1 for all real and business personal property located in the Department's taxing area of Harris County, Texas in conformity with Subtitle E. Texas Property Tax Code. Taxes are due on receipt of the tax bill and are delinquent if not paid before February 1 of the year following the year in which imposed. On January 1 of each year, a tax lien attaches to property to secure the payment of all taxes, penalties, and interest ultimately imposed. Property tax revenues are considered available when they become due or past due and receivable within the current period.

Allowances for uncollectible taxes are based upon historical experience in collecting property taxes. Uncollectible personal property taxes receivable are written off after ten years and real property taxes receivable are written off after twenty years.

### **Fund Balance**

Order of Expenditure Fund balance shall mean the gross difference between governmental fund assets and liabilities reflected on the balance sheet. The fund balance of the general fund, one of the governmental fund types, is of primary significance because the general fund is the fund which finances most functions of the Department.

The five classifications of fund balance of the general fund include:

1. **Non-spendable fund balance** shall mean that portion of the gross fund balance that is not expendable (such as inventories) or is legally earmarked for a specific use such as the self-funded reserves program. Example of fund balance reserves for which fund balance is not available for financing general operating expenditures are:
  - a. Inventories
  - b. Prepaid items
  - c. Deferred expenditures
  - d. Self-funded risk management programs
  - e. Long term receivables
  - f. Outstanding encumbrances
2. **Restricted fund balance** includes amounts constrained to a specific purpose by the provider, such as grantor.
  - a. Federal or state granting agency (i.e. CASE, Adult Education, Head Start)
  - b. Construction funds (PFC)

- c. Retirement of long-term debt
- 3. **Committed fund balance** shall mean that portion of the fund balance that is constrained to a specific purpose by the Board of Trustees.
- 4. **Assigned fund balance** shall mean that portion of the fund balance that is spendable or available for appropriation but has been tentatively earmarked for some specific purpose by the Board of Trustees and/or the Superintendent. In current practice, such plans or intent may change and never be budgeted or result in expenditures in future periods of time. Examples of assigned fund balances which the department may have tentative plans for expenditures in future period include:
  - a. Capital replacement (expenditures for equipment, furniture, software)
  - b. Building construction, repair, and renovation
  - c. Insurance deductibles
  - d. Claims and judgments
  - e. Employee retirement leave reserves
  - f. Expansion and moving costs
  - g. Program startup costs
  - h. Debt service reduction
  - i. Other legal uses
- 5. **Unassigned fund balance** includes amounts available for any legal purpose. This portion of the total fund balance in the general fund is available to finance operating expenditures. Unassigned fund balance shall mean the difference between the total fund balance and the total of the no-spendable fund balance restricted fund balance, committed fund balance and assigned fund balance.

Credit rating agencies carefully monitor levels of fund balance and unassigned fund balance in a government's general fund to evaluate the government's continued creditworthiness. Historically, HCDE enjoyed a Moody's A2 Rating on Education Lease Revenue Bonds, Series 1999, released to raise revenue for construction purposes. When HCDE borrowed from the Qualified Zone Academy Bonds and Maintenance Notes in 2009, HCDE's credit rating was A2. HCDE's credit rating on Education Lease Revenue Bonds, Series 2006 is also A2, and these bonds were issued to raise revenue for construction purposes. The 2016 bonds for the construction of AB West School are also rated A2.

The Government Finance Officers Association and the Texas Association of School Business Officials recommends that general-purpose governments maintain unassigned fund balance in their general fund of no less than five to 15 percent of regular general fund operating revenues, or of no less than one to two months of regular general fund operating expenditures. Local budget policy is to maintain an unassigned fund balance equal to a minimum of two months of operations costs. This amount would be determined by first adding budgeted operations and maintenance costs plus debt service requirements. This total would be divided by 12 and then multiplied by two to calculate the two months operating costs requirements.

**Estimated Revenues** are classified by fund and object or source. There are three major sources: local sources, state sources and federal sources. Federal and State estimated revenues correspond to grants assigned to the different programs HCDE offers. Local estimated revenue includes Property Tax Revenue, Customer Fees, Capital Projects and Transfers In. Customer fees main sources are: Therapy Services, Tuition from the four schools, The Teaching and Learning Center fees, Record Management fees and other. Capital projects correspond to revenue precedent from Bond issuance. Transfers In represent the excess of revenues over the expenses for the Choice Partners Cooperative.

## **Expenditure Functions**

A function represents a general operational area and groups together related activities. Most school districts use all the functions in the process of educating students or organizing the resources to educate students. Each of these activities is a function as required by the Texas Education Agency (TEA) Financial Accountability System Resource Guide (FASRG).

**Function 11 – Instruction** – is used for transactions that deal directly with the interaction between teachers and students. This function includes expenditures for direct classroom instruction and other activities that enhance the delivery of learning opportunities to students. Teaching may be provided in the classroom, at home, in the hospital, and other learning situations, including television, radio, telephone, telecommunications, multimedia and/or correspondence. Expenditures include salaries and fringe benefits for teachers, teacher assistants, substitutes, special education speech and occupational instructional services, and physical therapy. It includes purchase of instructional equipment, supplies, and materials.

**Function 12 – Instructional Resources and Media Services** – is used for expenditures that are directly used for resource centers, establishing and maintaining libraries and other facilities dealing with educational resources and media. It includes expenditures for salaries and fringe benefits of librarians, library assistants, media center personnel and other staff related to media services, expenditures for supplies and materials associated with media center and resource centers such as library books, films, video cassettes, CD-ROM disks, equipment purchases, and upkeep of the equipment.

**Function 13 – Curriculum Development and Instructional Staff Development** – is used for expenditures directly used to aid instructional staff in planning, developing, and evaluating the process of providing learning experiences for students. It includes research personnel salaries and fringe benefits for research personnel and training personnel. Includes expenditures associated with staff development, in-service training and development of curriculum.

**Function 21 – Instructional Leadership** – is used for expenditures directly used for managing, directing, supervising, and leadership to staff who provide general and specific instructional services. It includes salaries and fringe benefits for instructional supervisors, educational program coordinators or directors, and related support staff. It includes expenditures for supplies and materials associated with the upkeep of the instructional support area.

**Function 23 – School Leadership** – is used for expenditures used to direct and manage a school campus. They include activities performed by the principal, assistant principals, and other assistants while they supervise campus operations, evaluate campus staff, and assign duties to staff maintaining the records of the students on campus. It includes expenditures for salaries and fringe benefits for the above named groups and any supplies and materials needed to maintain campus administration.

**Function 31 – Guidance, Counseling and Evaluation Services** – is used for expenditures directly and exclusively used for assessing and testing students' abilities, aptitudes, and interests; counseling students with respect to career and educational opportunities and helping them establish realistic goals. It includes costs of psychological services, identification of individual characteristics, testing, educational counseling, and student evaluation. It includes expenditures for salaries and fringe benefits for counselors and related staff, psychologists, psychiatrists, and diagnosticians. It includes expenditures for testing materials, student appraisal services, and supplies and materials needed to test students outside of the classroom.

**Function 32 – Social Work Services** – is used for expenditures that are directly used for investigating and diagnosing student social needs, case work and group work services for the child

and/or parent, interpreting the social needs of the student for other staff members and promoting modification of the circumstances surrounding the student which relate to his/her social needs. It includes expenditures for salaries and fringe benefits of attendance officers, social workers, and other related staff and expenditures for equipment, supplies and materials.

**Function 33 – Health Services** – is used for expenditures that provide physical health services for students, including medical, dental and nursing services. Includes expenditures for salaries and fringe benefits of school physicians, dentists, nurses and nurses' aides, contracted medical services, medical and health supplies, and expenditures needed to maintain the health services function.

**Function 34 – Student Transportation** – is used for expenditures that are incurred transporting students to and from school.

**Function 35 – Food Services** – is used for expenditures for a food service operation. It includes salaries and fringe benefits for food service supervisors, cooks, snack-bar staff and other related staff, expenditures for food, non-food and commodities purchases, storage and transportation, and related expenditures.

**Function 41 – General Administration** – is used for expenditures for the purposes of managing and governing the entire organization, not applicable to a specific function. Expenditures included in this function are salaries and fringe benefits for the Superintendent's Office, Board of Trustees, Business Services, Purchasing, Communications & Public Information, and Human Resources.

**Function 51- Plant Maintenance and Operations** – is used for expenditures to keep the building and grounds operational, clean, comfortable, and in effective working condition and state of repair, and insured. It includes salaries and fringe benefits for custodial staff, building maintenance staff, and warehouse staff. It includes expenditures for utilities, insurance premiums for buildings, property and equipment, and expenditures needed to maintain the physical plant.

**Function 52 – Security and Monitoring Services** – is used for expenditures to keep student and staff safe at school, to and from school, or at campus-sponsored events. Includes expenditures for salaries and fringe benefits of security guards and campus police, handheld communication devices, and related supplies and materials.

**Function 53 – Data Processing Services** – is used for expenditures for data processing services, whether in-house or contracted. It includes computer facility management, computer processing, and systems development, analysis and design. Including salaries and fringe benefits of chief information officer, network managers, PC network managers, and other related staff. It includes expenditures for maintaining networks, software, and services to the end user.

**Function 61 – Community Services** – is used for expenditures that are for activities other than regular public education and adult basic education services. It includes providing resources to non-public schools, higher education institutions and proprietary types of services incurred for outside entities in the community. Expenditures include related parenting programs, parental involvement programs, and parental and educational services to adults other than adult basic education. Includes expenditures for staff providing childcare for teen parents attending school, staff providing child care for teachers or working parents, baby-sitting after hours and after school daycare and other related expenditures needed to maintain the programs. HCDE uses this function for expenditures for Center for Safe and Secure Schools, Education Foundation, and Scholastic Arts and Writing Program.

**Function 62 – School District Administrative Support Services** – is used for expenditures relating to performing certain administrative support services including indirect instructional services such as

guidance and counseling, social work, and health and food services as well as general administrative services such as budgeting, accounting, tax administration, and joint purchasing. HCDE uses this function for expenditures for School Governance and Fiscal Accountability, Food Co-ops, Purchasing Co-ops, Choice Facility Partners, and Records Management Services.

**Function 71 – Debt Service** – is used for expenditures to retire recurring bond, capital lease principal, other debt related services, debt service fees and debt interest. Expenditures include bond, capital lease, and long-term debt principal and interest payments, and interest on short-term notes.

**Function 81 – Facilities Acquisition and Construction** – is used for expenditures to acquire, equip, and/or make additions to real property and sites, including lease and capital lease transactions. Include acquisition or purchase of land and buildings, remodeling or construction of buildings, major site improvements, and capital outlay to equip new facilities.

**Function 93 – Payments to Fiscal Agent or Member Districts of Shared Services Arrangements** – is used for payments from a member district to a fiscal agent of a shared services arrangement; or payments from a fiscal agent to a member district of a shared services arrangement.

**Function 99 – Other Intergovernmental Charges** – is used to record intergovernmental charges not defined above, including amounts paid to county appraisal districts for costs relating to the appraisal of property, and salaries and related expenditures to obtain instructional services from another school district for grade levels not provided by the sending school district.

# BUDGET RESPONSIBILITIES

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## **Budget Requirements**

The official budget is prepared for all funds. The General Fund and Debt Service Fund are mandated to be an annual budget. HCDE utilizes budgets in the other funds to facilitate monitoring by budget managers and for control purposes. The following procedures are followed: Prior to August 20<sup>th</sup> of the preceding fiscal year, the Department prepares a budget for the next succeeding fiscal year beginning September 1<sup>st</sup>. The operating budget includes proposed expenditures and the means of financing them. A duly posted meeting of the Board is called for the purpose of adopting the proposed budget. Once a budget is approved, it can be amended at the budget level (increases or decreases to the total individual budget) only by approval of a majority of the members of the Board.

Amendments are presented to the Board of Trustees at its regular meetings. Such amendments are made prior to expenditures, are reflected in the official minutes of the Board, and are not made after fiscal year end as required by law. Increases and decreases to accounts (individual line items) within a budget may be made without Board approval.

Each budget is controlled by the budget manager at the revenue and expenditure class-object level. General Fund budget appropriations lapse at fiscal year-end, August 31<sup>st</sup>. During the fiscal year, the budget was amended as necessary.

Encumbrances for goods or purchased services are documented by purchase orders or contracts. Under Texas law, appropriations lapse at August 31<sup>st</sup>, and encumbrances outstanding at that time are to be either canceled or appropriately provided for in the subsequent year's budget.

## **Budget Responsibilities**

The development of division and Department annual budgets should be part of the ongoing budget process. The budget preparation process and guidelines are established through interaction between the board budget committee, the superintendent, and the Department budget committee. The following individuals and groups are involved in budget development:

1. Division Level
  - a. Division / Budget Directors
2. Department Level: HCDE Budget Committee
  - a. Superintendent
  - b. Assistant Superintendent Business
  - c. Chief Accounting Officer
  - d. Budget Analyst/Senior Accountant
  - e. Assistant Superintendents
  - f. Executive Director of Human Resources
  - g. Executive Director of Facilities
  - h. Chief Communications Officer
  - i. Chief of Staff
3. Board Level:
  - a. Board Budget Committee
  - b. Board of Trustees

## **Annual Budget Responsibilities and Guidelines**

HCDE is organized as a department with multiple divisions which report to the various Executive Team members. The Executive Team is composed of the following individuals: Superintendent, Assistant Superintendents, Chief Communication Officer, Executive Director for Human Resources, Executive Director for Facilities, and Chief of Staff.



The levels of responsibility include:

Division: Includes division managers who have fiscal oversight over their individual budgets.

Department: Includes the executive team members who have oversight of divisions within their responsibility.

The following table shows the interaction necessary between individuals and groups at different levels of the Department to produce the annual budget:

<b>PARTICIPANTS</b>	<b>ROLES &amp; RESPONSIBILITIES</b>	<b>LEVEL</b>
<b>Division / Budget Directors</b>	✓ Coordinates preparation of division level program budgets, performance measures and objectives	Division
<b>HCDE Budget Committee</b>	<ul style="list-style-type: none"> <li>✓ Reviews for appropriateness division-level budgets and reviews/prioritizes allocated requests submitted by division directors</li> <li>✓ Discusses budget recommendations for superintendent review</li> </ul>	Division
<b>Superintendent</b>	<ul style="list-style-type: none"> <li>✓ Communicates budget process guidelines to division / budget directors and HCDE budget committee</li> <li>✓ Serves as lead member of HCDE Budget Committee to review division budget requests and to analyze budget components</li> </ul>	Department
<b>Assistant Superintendent for Business</b>	<ul style="list-style-type: none"> <li>✓ Serves as chair of HCDE Budget Committee</li> <li>✓ Serves as Department Budget Officer</li> <li>✓ Communicates budget calendar</li> <li>✓ Reviews fund balance estimates</li> <li>✓ Conducts final review of proposed budget to Board Budget Committee</li> </ul>	Department
<b>Chief Accounting Officer</b>	✓ Reviews proposed budget drafts subsequent to superintendent and HCDE Budget Committee review	Department
<b>Senior Accountant</b>	<ul style="list-style-type: none"> <li>✓ Provides requested forecasts and analyses to Assistant Superintendent for Business, HCDE Budget Committee, and Superintendent</li> <li>✓ Compiles division budgets into proposed Department budget</li> <li>✓ Communicates any revisions to appropriate divisions</li> <li>✓ Develops and communicates budget calendar</li> <li>✓ Develops division revenue estimates</li> <li>✓ Develops fund balance estimates</li> <li>✓ Updates proposed budget drafts subsequent to superintendent and HCDE Budget Committee review</li> </ul>	Department
<b>Assistant Superintendents</b>	<ul style="list-style-type: none"> <li>✓ Serves as member of HCDE Budget Committee</li> <li>✓ Reviews and approves all division budgets under their immediate supervision prior to submission to Assistant Superintendent for Business</li> </ul>	Department
<b>Executive Director of Human Resources</b>	<ul style="list-style-type: none"> <li>✓ Compiles and reviews personnel staffing needs submitted by budget directors and any necessary revisions</li> <li>✓ Serves as member of HCDE Budget Committee to ascertain personnel use changes and requirements</li> </ul>	Division Department

<b>Executive Director of Facilities</b>	<ul style="list-style-type: none"> <li>✓ Develops schedules of facilities and facility and vehicle maintenance for budget planning</li> <li>✓ Serves as member of HCDE Budget Committee to ascertain facility support responsibilities</li> </ul>	<div>Division</div> <div>Department</div>
<b>Chief Communication Officer</b>	<ul style="list-style-type: none"> <li>✓ Serves as member of HCDE Budget Committee to ascertain communications and technology support responsibilities</li> </ul>	Department
<b>Board Budget Committee</b>	<ul style="list-style-type: none"> <li>✓ Reviews / prioritizes / revises proposed budget submitted by Superintendent and Assistant Superintendent for Business</li> <li>✓ Recommends a final version of the proposed budget for adoption by the full Board of Trustees</li> </ul>	Board
<b>Board of Trustees</b>	<ul style="list-style-type: none"> <li>✓ Conducts public hearings for budget presentation</li> <li>✓ Adopts official budget and tax rate</li> </ul>	Board

### Budget Guidelines

Budget preparation guidelines are prepared by the Assistant Superintendent for Business with input from the Superintendent and other Department administrators. The budget preparation guidelines, which are distributed to division / budget directors in the Budget Planning Workbook, include the following elements:

1. A *budget transmittal letter* from the Superintendent which provides the overall context for budget development at the division/program levels.
2. A *budget overview* which explains the Department budgeting philosophy and approach; outlines the budget development process to include the *development of budget requests, performance objectives and division objectives for the year*; and references *major assumptions and changes in the budgetary process* from the previous year.
3. *Fiscal limitations* to be observed Department-wide such as maintenance of service levels, specific percentage increases / decreases in resource allocations, and personnel hiring guidance.
4. A *budget calendar* of critical dates for budget development, submission and review.
5. Instructions concerning level of detail required for budget submission.
6. A copy of standard budget *preparation worksheets* and submission forms.
7. A list of the *account codes* necessary for the preparation of campus and division budgets. This list normally will include fund, function, object, sub-object and program intent codes.
8. *Instructions* for the submission of budgets to the business office including the number of copies required, due dates and personnel to contact for assistance.
9. *Guidelines* for estimating the costs of salaries and benefits are provided by the Human Resources division.

Key factors which impacted fiscal year 2023-2024 budget development included:

1. Wage increase: 3% leadership group, and 7% for other all employees. HCDE plans to recruit, hire, and retain high quality staff to be able to provide the best services available in the marketplace.
2. An additional \$200,000 for the Education Foundation's Tools for Teachers initiative from fund balance.
3. School Based Therapy Program will receive additional **(8.4) FTEs** to increase the level of service to School Districts around the County due to additional service demand. The cost is \$778,754. An increase (15%) of \$116,813 is the tax subsidy for this division is included in the tax projection.

4. Due to increased demand from school districts for **AB East School seats**, additional FTEs are required as follows: (6) educational aides, (6) teachers and (1) behavioral intervention specialist. The total cost is \$864,581. An additional local tax subsidy is budgeted in the amount of \$216,145.
5. Due to increased demand from school districts for **AB West School seats**, additional FTEs are required as follows: (6) educational aides, (6) teachers and (1) food manager. The total cost is \$813,122. An additional local tax subsidy is budgeted in the amount of \$203,281.
6. Due to the addition of **three new buildings** to our facilities, additional insurance and utilities costs will be added to the budget: The amount of \$595,000 is added to the Internal Services Fund.
7. Additional square footage is added for the three new buildings: AB East School, Highpoint East School and the Adult Ed. Center. The facilities division includes 2.5 additional custodians for the Adult Ed Center. The other two buildings will be covered with vacancies in the facilities division. The cost of the 2.5 FTEs is \$112,956.
8. One FTE (Project Manager) is being added to the Information Technology Division. The cost is \$144,044.
9. One FTE (Communication Content Coordinator) is being added to the Communications Division. The cost is \$86,812.
10. The Department has also included the continuation of the lobbying cost commitment previously approved by the Board of Trustees. The cost is \$276,000.
11. Balanced Budget: The adopted budget is balanced for on-going operations, and it is projected that the Department will invest part of its fund balance to implement a capital improvement program. All expenditures will be covered with the revenues generated during the year except the one-time costs. The use of fund balance will include **\$701,000** for the payment of debt service for the ne maintenance note and lease revenue bond.
12. A Capital Improvement Plan Phase Two will be implemented. The following projects are proposed:
  - a. **\$10,000,000** for the Equine Center to be funded from the New Adopted Lease Revenue Bond 2023 plus \$2 Million from fund balance and \$5M from the Harris County Commissioner's Court.
  - b. **\$16,313,000** for Maintenance Projects to be funded from the 2024 Maintenance Notes:

Projects for 2024		Projects for 2025	
\$6,000,000	Irvington Renovation	\$5,000,000	NPO Roof & HVAC Replacement
\$1,000,000	Technology Infrastructure	\$1,700,000	Fortis Academy Roof Replacement
\$470,000	Barrett Station (Headstart) Deck and Canopy	\$1,000,000	Furniture/Equipment
\$493,000	Demolition at Auxiliary Sites	\$650,000	Fortis Academy Roof Replacement

13. Planned one-time expenditures from the General Fund balance totaling \$701,000 as follows:

Booking Software	\$50,000
Intranet Portal	75,000
Solution Enterprise - Laserfiche	200,000
Photo Equipment	26,000
Servers	350,000
Total fund balance capital expenditure appropriations	<u>\$701,000</u>

14. The budget is predicated on adopting a tax rate that will bring in more revenue to address revenue loss and implementation of new initiatives such as the campaign awareness and costs associated with talent recruitment and compensation recruitment and retention plan. The estimated tax rate of \$.004800 was adopted, and this is below the voter-approval tax rate ("VAR"). Public hearings and notices were required to adopt the tax rate. This rate is key to the funding of the operations plan for the current year.

### **Budget Calendar**

The budget calendar is the responsibility of the Assistant Superintendent for Business who presented it to the Board of Trustees at the December board meeting. Updates may be made with approval from the Superintendent and are communicated to the HCDE budget committee and division / budget directors.

The calendar identifies all the activities which must be included in the proposed budget process and is arranged in chronological order. It contains a column showing the individual or group responsible for each activity listed. This column is helpful to users since a quick scan of the calendar allows each of them to identify those activities in the budget development process for which he / she is responsible.

### **Funds reviewed and incorporated into the budget review process**

The budget review for SWOT analysis and review through the budget committee review and budget board workshops include all funds: General Fund, Facilities Fund (internal service fund), grants (special revenue funds, and Choice Fund, (enterprise fund) and other worker's comp. fund (internal service fund).

The budget process includes the development of a budget for the operating of the Department. The General Fund is the primary budget. In addition, each division manager also incorporates in the review the planned grants to be received during the subsequent year. The grant proposals and projections are reviewed and prioritized during the budget process. The facilities inclusive of the budget is an integral part of the operating function of the Department, and charges are allocated to each division. The Facilities Division, as part of their annual budget review, addresses facilities needs and capital projects to be funded for the year through a pay as you go plan. The facilities budget is included in the budget review and it is discussed during the Superintendent and Budget Committee meetings discussion over SWOT Analysis and Performance Review for each division. The Department does not have an interest and sinking tax rate; thus, all projects are either funded through pay as you go plan or through the Public Facilities Corporation which is funded through the General Fund.

## ACCOUNT CODE STRUCTURE – eFinance plus SYSTEM

The complete Account Code looks as follows:

199 **5**-41-050-99-**050 63990000** is the **Supplies & Materials** code in the **Business Services** budget.

BUDGET CODE:						ACCOUNT CODE:	
Fund Code	FY Code	Function Code	Location Code	Program Code	Budget Manager Code	Class Object Code	Sub-Object Code
NUMBER OF DIGITS:							
(3)	(1)	(2)	(3)	(2)	(3)	(4)	(4)

FY = Fiscal Year. The Fiscal Year Code is the last digit of the fiscal year. For example: For fiscal year (FY) 2024-25, the fiscal year code is **5**

Instructions for accessing account codes are in **HCDE Portal**.

Complete lists of codes and descriptions can be found on:

HCDE Portal\Business Services\Account Codes

They include:

- Fund Codes
- Function Codes
- Location Codes
- Program Codes
- Budget Manager Codes
- Object Codes: Revenues and Expenditures

## HCDE BUDGET PLANNING WORKBOOK

### Revenue Estimates

**Revenue Generating Divisions must submit a Fee Schedule (sample below).**

Description	FY 2023-24 Estimated Rev.			FY 2024-25 Estimated Rev.		
	Cntcts	Price	Total Revenue Received	Cntcts	Price	Total Revenue Estimated
<i>Fees for Services:</i>						
1) Training	3	\$ 10,000	\$ 30,000	4	\$ 10,000	\$ 40,000
2) Services to In-County ISD	24	2,750	66,000	24	2,800	67,200
2) Services to Out-of-County ISD	10	3,000	30,000	15	3,100	46,500
3) New Program FY 2025	0	-	-	3	1,500	4,500
Workshops	6	1,000	6,000	4	1,500	6,000
Totals:			132,000			164,200
4) <i>Miscellaneous Revenues</i>			6,500			-
Grand Total Revenues:			<u><u>\$ 138,500</u></u>			<u><u>\$ 164,200</u></u>

#### Estimating Process:

- 1) In this example line item, price increases were proposed for FY 2024
- 2) Illustrates different price (fee) schedules for in-county and out-of-county clients.
- 3) New program was developed for FY 2024-25; and 3 clients will participate.
- 4) One-time miscellaneous revenues.

### Instruction for Estimating Grant Revenues

#### LOCAL GRANTS

Local revenues may be estimated based on:

- 1) historical estimates
- 2) planning estimates
- 3) continuing service agreements which overlap the fiscal year

#### STATE & FEDERAL GRANTS

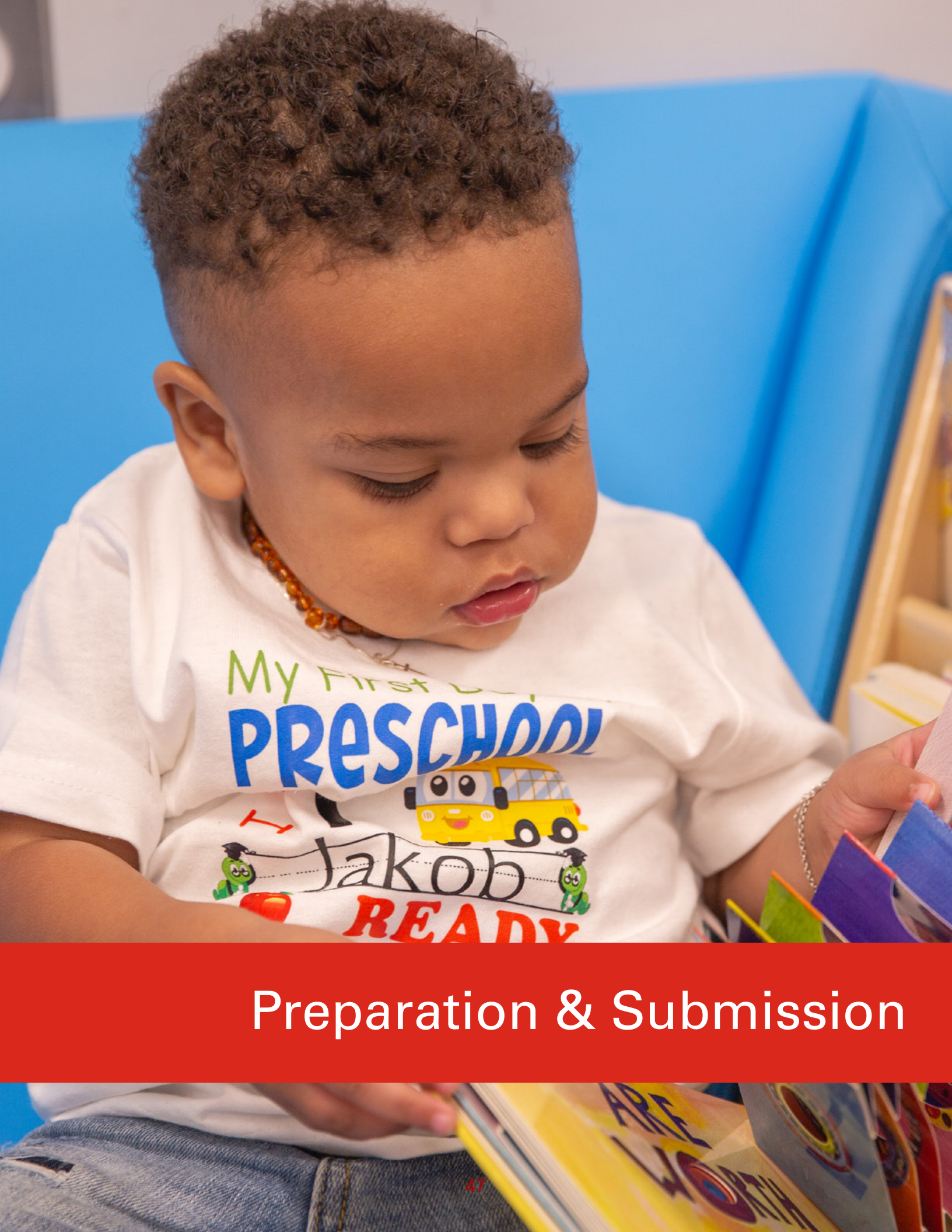
Estimated grant awards may be based on:

- 1) historical estimates
- 2) preliminary award correspondence
- 3) conversations with the grantor agency





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## Preparation & Submission



# Budget Application Instructions

## Fiscal Year 2024-2025

Go to: <https://budgetprep.hcde-texas.org>:



**Harris County Department of Education**

HCDE Budget

Public Website  
eFinance Plus  
Risk Assessment Forms

**A Message from Dr. Colbert:**

**Going forward in fiscal year 2023-2024**

We need to sharpen our expectations to continue to provide exemplary services while increasing the value of services and relationships with our school districts and stakeholder community at large. It is important to keep in mind the business formula that we have undertaken and the administrator's code that we value in our organization.

Our stakeholders, our board, our community, and our client expect:  
Value, Trust, Integrity, Focus, Excellent Performance Expectations Every Day

To achieve this, we must continue to develop a prudent balanced budget that ensures positive budget model while delivering quality services. New initiatives will be entertained, and we need to make sure that we have sound fiscal projections for both estimated revenues and appropriations. New initiatives and or growth areas in the budget must be tied to revenue growth or use of planned resources. One of the first steps is to review fees schedules and revenue projections, thus a meeting will be scheduled with you early this month with the business office to make sure that our fee structure is feasible and reflective of the target market.

**For fiscal year 2024-2025**

A list of new priorities will be provided in late February to assist you in the development of your budget. As a start, we need to continue our current initiatives and be ready to justify your budget and its impact to the overall budget. Additional instructions will be provided during the budget meetings. I challenge you be flexible to adjust projections based on organization projected initiatives.

Log In with your HCDE Credentials in the upper Right-Hand Corner:



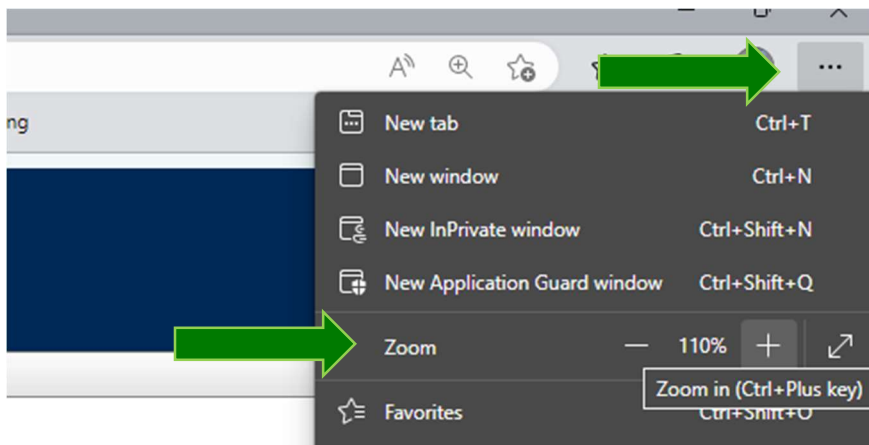
**Harris County Department of Education**

HCDE Budget

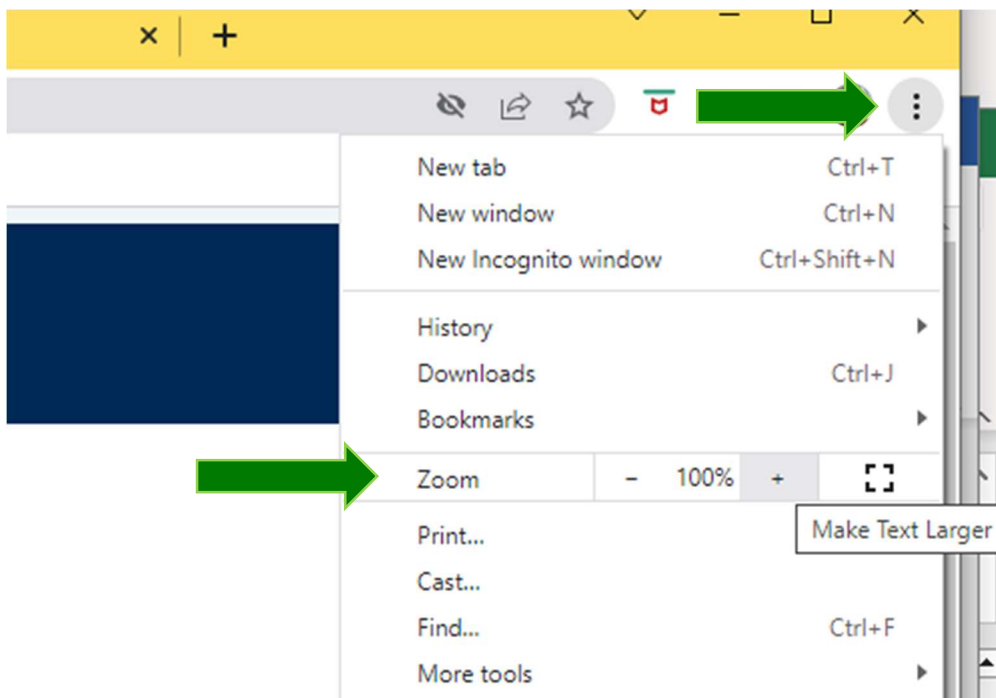
Login ID: Julia.Watts  
Password:   
Log In

If the webpage text seems too small for you, use your Browser's Zoom tool to correct it:

## Zoom Window in EDGE:



## Zoom Window in CHROME:





The Home page looks EXACTLY like the login page, except for new menu buttons on the left, and your name visible on the right.

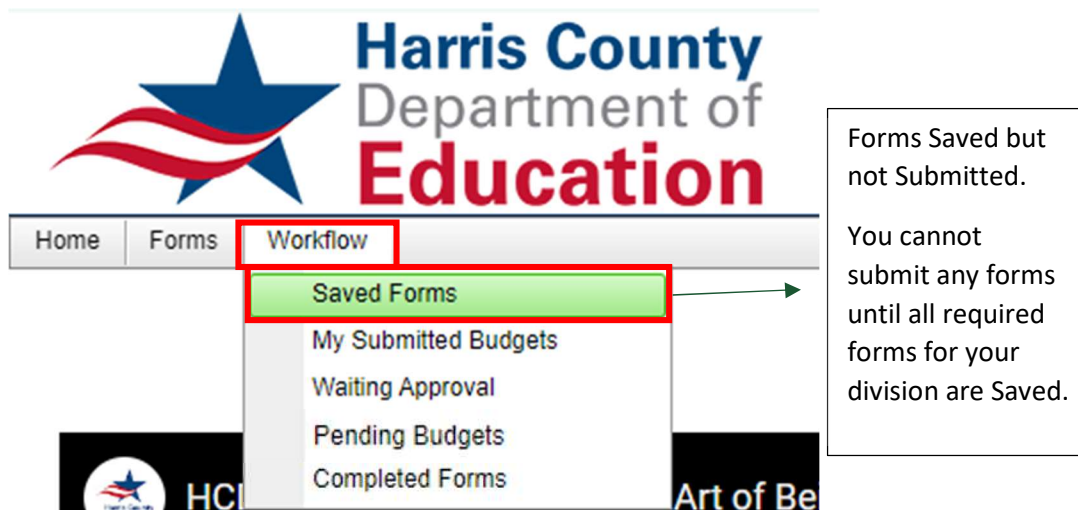
The screenshot shows the Harris County Department of Education Home page. At the top left is the logo with a blue star and the text "Harris County Department of Education". Below the logo is a navigation bar with buttons for "Home", "Forms", "Workflow", and "Administrator". The "Forms" button is highlighted with a red box. An arrow points from this box to a text box that says "Menus visible: Home | Forms | Workflow". At the top right, a dark blue banner contains the text "Welcome, Julia Watt" and a "Log Out" link, both highlighted with a red box. An arrow points from this box to a text box that says "Your name will be here above the Logout button." Below the navigation bar, the main content area is titled "HCDE Budget". It includes links for "Public Website", "eFinance Plus", and "Risk Assessment Forms". There is a section titled "A Message from Dr. Colbert:" followed by the text "Going forward in fiscal year 2023-2024". Below this, there is a paragraph about sharpening expectations and another paragraph about stakeholders. At the bottom, there is a paragraph about achieving a prudent balanced budget. On the left side of the main content area, there is a large image of a smiling child with the text "for Fiscal Year 2024-25" overlaid.

The FORMS Menu:

The screenshot shows the Harris County Department of Education FORMS Menu. At the top left is the logo with a blue star and the text "Harris County Department of Education". Below the logo is a navigation bar with buttons for "Home", "Forms", and "Workflow". The "Forms" button is highlighted with a red box. Below the navigation bar, there are two green buttons: "Budget" and "Risk Assessment". Both buttons are highlighted with a red box. An arrow points from the "Budget" button to a text box that says "All the forms needed to complete the budget." Another arrow points from the "Risk Assessment" button to a text box that says "Will take you directly to your Risk Assessment Forms".



## The Workflow Menu: Before Submission

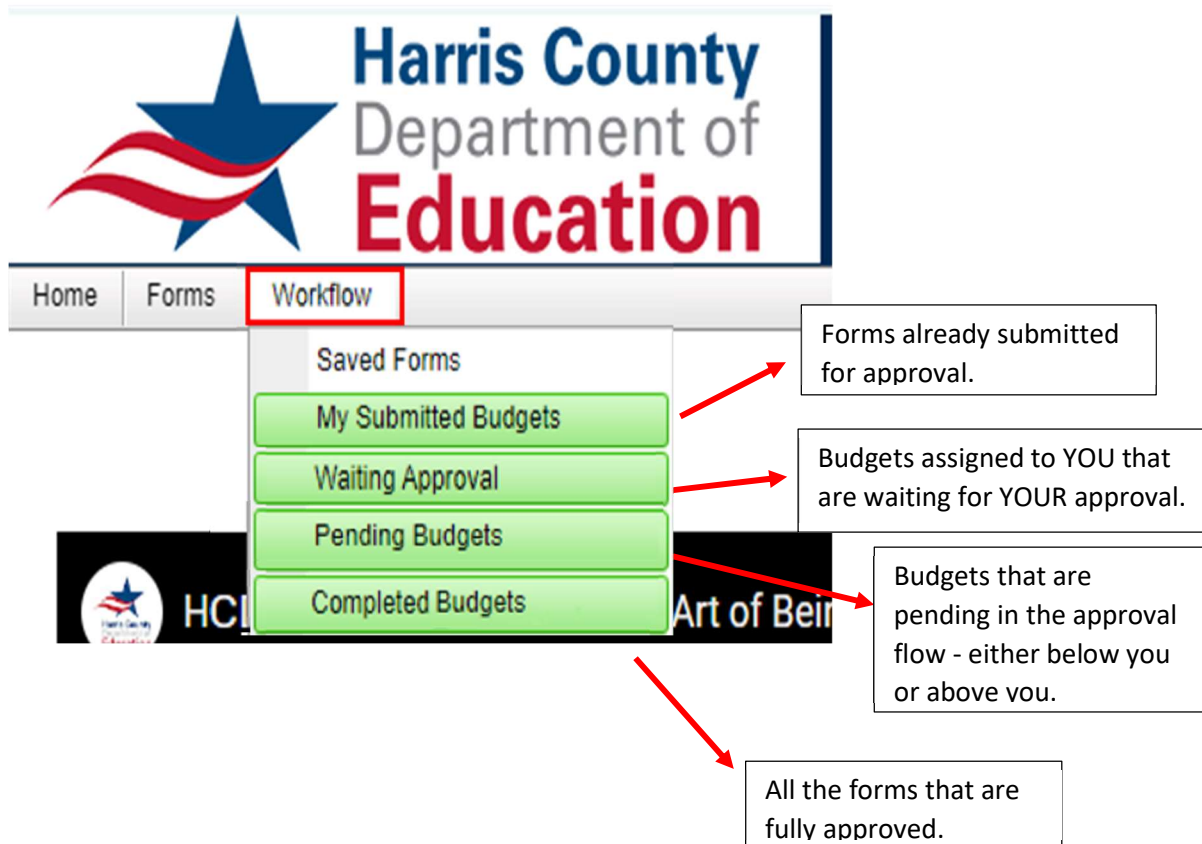


The screenshot shows the Harris County Department of Education website. The navigation bar includes 'Home', 'Forms', and 'Workflow'. The 'Workflow' menu is open, showing options: 'Saved Forms', 'My Submitted Budgets', 'Waiting Approval', 'Pending Budgets', and 'Completed Forms'. A red box highlights the 'Workflow' menu, and a green box highlights 'Saved Forms'. An arrow points from 'Saved Forms' to a text box on the right.

Forms Saved but not Submitted.

You cannot submit any forms until all required forms for your division are Saved.

## The Workflow Menu: After Submission



The screenshot shows the Harris County Department of Education website. The navigation bar includes 'Home', 'Forms', and 'Workflow'. The 'Workflow' menu is open, showing options: 'Saved Forms', 'My Submitted Budgets', 'Waiting Approval', 'Pending Budgets', and 'Completed Budgets'. A red box highlights the 'Workflow' menu. Red arrows point from 'My Submitted Budgets', 'Waiting Approval', 'Pending Budgets', and 'Completed Budgets' to text boxes on the right.

Forms already submitted for approval.

Budgets assigned to YOU that are waiting for YOUR approval.

Budgets that are pending in the approval flow - either below you or above you.

All the forms that are fully approved.

## Budget Forms List:

Budget Forms	
Fiscal Year: 2022-2023 ▾ Division: Assistant Superintendent for Education and Enrichment ▾	
Optional --- 02-Revenue Worksheet	Instruction
Optional --- 03-Revenue Detailed Worksheet	Instruction
Required --- 04-Expenditure Worksheet	Instruction
Required --- 05-Expenditure Detailed Worksheet	Instruction
Required --- 06-Division needs Assessment Form	Instruction
Required --- 07-GAP Analysis	Instruction
Optional --- 08-Capital Justification	Instruction
Optional --- 09-Travel Justification	Instruction
Optional --- 10-Request for Additional Funds Form	Instruction
Required --- 11-Budget Hearing SWOT Analysis	Instruction
Required --- 12-Budget Manager Overview Form	Instruction
Optional --- 13.1-Capital Project Request Form	Instruction
Required --- 13.2-Score Sheet	Instruction
Required --- 15-Position Listing Form	Instruction
Optional --- 16-Position Request	Instruction
Optional --- 17-Position Change	Instruction
Required --- 18-Divisional Organization Chart	Instruction
Optional --- 19-Fee Schedule & Grant Budgets	Instruction
Required --- 20-Replacement Asset Schedule	Instruction
Required --- 21-Fixed Asset Inventory Form	Instruction

Beside each form is a button directing you to the appropriate section of THIS INSTRUCTION BOOK in PDF Format.

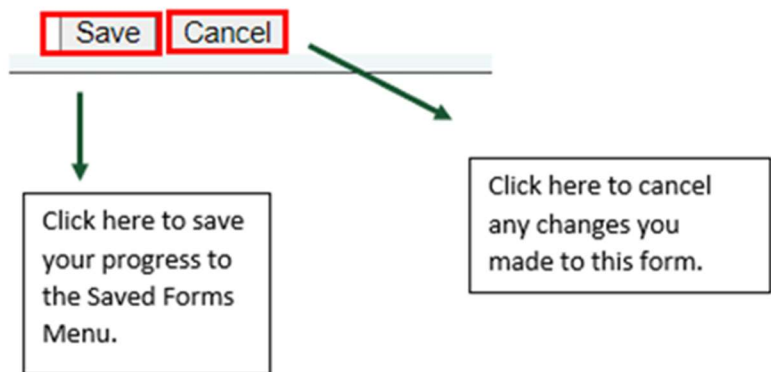
Optional --- 02-Revenue Worksheet
Optional --- 03-Revenue Detailed Worksheet
Required --- 04-Expenditure Worksheet
Required --- 05-Expenditure Detailed Worksheet
Required --- 06-Division needs Assessment Form
Required --- 07-GAP Analysis
Optional --- 08-Capital Justification
Optional --- 09-Travel Justification
Optional --- 10-Request for Additional Funds Form
Required --- 11-Budget Hearing SWOT Analysis
Required --- 12-Budget Manager Overview Form
Optional --- 13.1-Capital Project Request Form
Required --- 13.2-Score Sheet
Required --- 15-Position Listing Form
Optional --- 16-Position Request
Optional --- 17-Position Change
Required --- 18-Divisional Organization Chart
Optional --- 19-Fee Schedule & Grant Budgets
Required --- 20-Replacement Asset Schedule
Required --- 21-Fixed Asset Inventory Form

Required items for your division are in **RED**. Your budget cannot be Submitted until all Required items are Saved.

**HOWEVER:** Your division may need to submit forms that are not required depending on your operation needs for the 2024-25 Fiscal Year.

If all the forms YOU NEED to submit are not completed, your requests may be delayed until the next fiscal year.

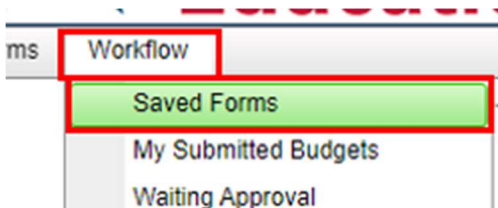
At the bottom of every form is a Save and Cancel Button. Forms can get long, so you may have to scroll a bit to find it:



For most forms, they will “grey out” once you’ve saved it, because you are only expected to submit one version of those forms. Others, such as the Travel Justification Form, will not grey out, allowing you to submit more than one of that form. **EXPENDITURE WORKSHEET will always be red.** Some divisions are required to submit more than one.


Required --- 21-Fixed Asset Inventory Form

Once a document is Saved, you must then access it only through the Saved Forms button under the Workflow menu:



Under “Saved Forms,” you will see an edit icon, where you can return to your draft and update it. All those with access to your division’s portal (Director, or Senior Director, etc.) also can edit the Saved form until it is Submitted.

Fiscal Year: 2022-2023 ▼ Division: Records Management Services

	Form Name	Form Status
	Fixed Asset Inventory	Saved

The next pages will walk you through each form in order.

Please do not be confused by the years presented as “2022-23”. Your window will display the year “2024-25”.

## Form #02 – Revenue Worksheet:

Below is what you see when you click on “Form 02 - Revenue Worksheet”. This form updates every 24 hours from the data you will enter in e-Finance. **You cannot edit any data here.**

### REQUESTED REVENUE BUDGET WORKSHEET

Selection Criteria:

Fiscal Year: 2022-2023

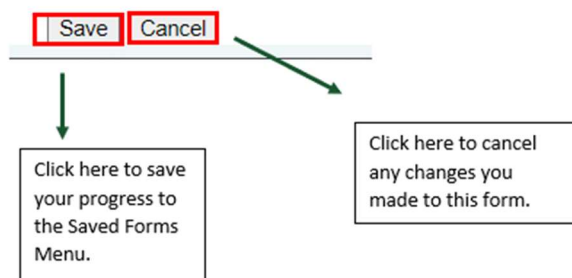
Division: Fortis Academy - (Recovery School)

Fund - 1993 - General Fund

Organization Account	Title	Prior Year Budget	Current Year Budget	Current Year Actual YTD	Current Year Projected	Requested Base	Requested New Program
1993-00-605-00-800-1993006050080056150000	TRANSFERS IN	0.00	0.00	0.00	0.00	0.00	0.00
1993-00-605-00-800-1993006050080056150099	DIST TRANSFERS IN	0.00	0.00	0.00	0.00	0.00	0.00
	Total: OTHER SOURCES	0.00	0.00	0.00	0.00	0.00	0.00
	Total: OTHER SOURCES	0.00	0.00	0.00	0.00	0.00	0.00
1993-00-605-00-800-1993006050080057110099	DISTR CURRENT TAX REV	1,151,149.00	1,203,100.00	596,221.13	0.00	1,399,084.00	0.00
	Total: LOCAL PROPERTY TAXES	1,151,149.00	1,203,100.00	596,221.13	0.00	1,399,084.00	0.00

HOWEVER, once your e-Finance data is synced to the budget prep module:

1. You will come to this page.
2. Scroll to the bottom.
3. Check that your totals are as you expect them to be.
4. Click “Save”.



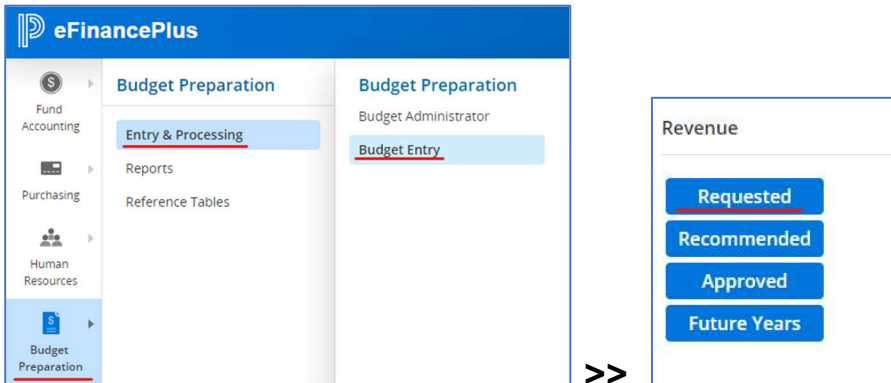
If there is a mismatch between what you entered in e-Finance and this form, please call Julia Watts at Ext: 1344

**YOU CANNOT EDIT THIS WORKSHEET IN THE PORTAL.  
THIS FORM IS TO BE COMPLETED IN E-FINANCE.**

## Revenue Worksheet in E-Finance:

To find the Revenue Worksheet:

1. Login to E-Finance
2. Go to the Budget Preparation Menu
3. Select: Entry & Processing
4. Select: Budget Entry
5. Select: Requested, under the *Revenue* heading.



Below is what you see when you click on Requested:

The screenshot shows the 'Search Criteria' form in the eFinancePlus application. The form includes fields for BUDGET CODE, Account, Freeze, FUND, and FUNCTION. The 'BUDGET MANAGER' field is highlighted with a red box. The 'Search' button is also highlighted with a red box.

Enter your Division's Budget Manager Code into the Budget Manager field and click "Search" to pull up your Division's budget data.

The screenshot shows the 'Search Criteria' form with the 'BUDGET MANAGER' field populated with '111 - SCHOOL BASED THERAPY SVCS'. The 'Search' button is highlighted with a red box.

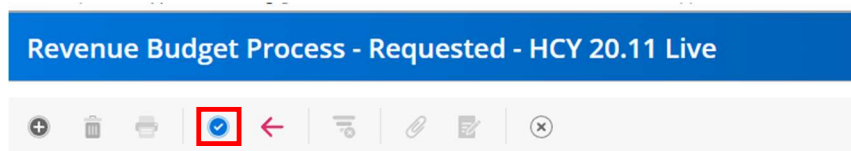
BUDGET CODE	Account	FY22 Actual	FY23 Budget	FY23 YTD Actual	FY23 Est to Complete	FY24 Requested Base	FY24 Requested New	Freeze	BUDGET CODE Title	Account Title
1994001100111	57110099	1,213,725.11	3,119,281.00	0.00	0.00	0.00	0.00	0.00 N - Not Frozen	DISTR CURRENT TAX P	
1994001100111	57260000	4,488,113.25	10,933,977.00	3,987,486.75	0.00	0.00	0.00	0.00 N - Not Frozen	FEEES SVCS IN COUNTY	
1994001100111	57260001	97,312.50	332,840.00	103,140.00	0.00	0.00	0.00	0.00 N - Not Frozen	FEEES SVCS OUT COUN	
1994001100111	57270000	8,846.00	2,000.00	5,265.00	0.00	0.00	0.00	0.00 N - Not Frozen	STAFF DEVELOP-IN CC	
1994001100111	57270001	120.00	1,000.00	0.00	0.00	0.00	0.00	0.00 N - Not Frozen	STAFF DEVELOP-OUT	
1994001100111	57290000	0.00	0.00	0.00	0.00	0.00	0.00	0.00 N - Not Frozen	MISC TUIT/FEEES-IN CO	
1994001100111	57290001	0.00	0.00	0.00	0.00	0.00	0.00	0.00 N - Not Frozen	MISC TUIT/FEEES-OUT C	
1994001100111	57440000	0.00	0.00	0.00	0.00	0.00	0.00	0.00 N - Not Frozen	GIFTS & DONATIONS	
1994001100111	57490000	0.00	0.00	0.00	0.00	0.00	0.00	0.00 N - Not Frozen	OTHER LOCAL REVENUE	
2864001100111	59390000	0.00	5,860.00	0.00	0.00	0.00	0.00	0.00 N - Not Frozen	FED REV-STATE AGENC	

Columns can be “picked up and moved” to re-arrange for easier data entry.

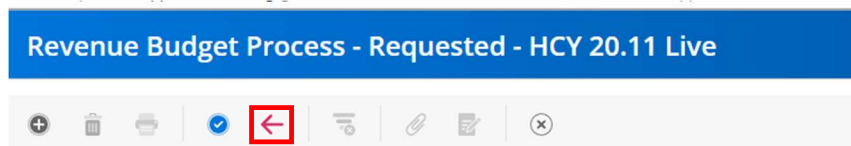
BUDGET CODE Title		Account Title
▼	Account Title	DISTR CURRENT TAX R
▼		FED REV-STATE AGENC
▼		FEES SVCS IN COUNTY
▼		FEES SVCS OUT COUN'
▼		GIFTS & DONATIONS
▼		MISC TUIT/FEES-IN CO
▼		MISC TUIT/FEES-OUT C
▼		OTHER LOCAL REVENU
▼		STAFF DEVELOP-IN CO
▼		STAFF DEVELOP-OUT C

You will populate your FY 2024-25 budget into the **FY25 Requested Base** column.

E-Finance does NOT auto-save. Please remember to click the **blue check** to save your work throughout the process. The blue check will not navigate you away from the Worksheet.



To exit the Worksheet, click the **RED ARROW** until you are back to the Dashboard. (While the 'x' also works, it is not a good habit for the operation of e-Finance.)



The following page details instructions regarding Budget Entry for revenue.



## DIVISION REVENUE BUDGET WORKSHEET

COMPLETED IN E-FINANCE

### COLUMN HEADING

### DESCRIPTION

ORGANIZATION /ACCOUNT      The budget code and account code.

TITLE      The name of the account code

PRIOR YEAR BUDGET	FY 2022-23 budget amount on August 31, 2023
-------------------	---

This is a canned report off the e-Finance system.

### **CURRENT YEAR SECTION:**

BUDGET	FY 2023-24 budget amended amount as of January 31, 2024
--------	---

YTD ACTUAL	FY 2023-24 revenues as of January 31, 2024
------------	--

PROJECTED	Zero filled—not used
-----------	----------------------

### **REQUESTED SECTION:      COMPLETED BY THE DIVISIONS**

BASE	This column is completed by the division. Enter the amounts. being requested for the FY2024-25 budget.
------	---

NEW PROGRAMS	In this column show any new activity that the division wants to implement.
--------------	--

**For every amount in the NEW PROGRAMS column, you must explain the increase or new amount on the Justification for Budget Increase (Decrease) Return Form.**

The REQUESTED REVENUE BUDGET WORKSHEET is broken down by account code groups. Each account code group, such as local property taxes (571X), local revenue from school districts (572X) etc., also has a subtotal.

## Form #03 – Revenue Detailed Worksheet:

Below is what you see when you click into “Form #03 – Revenue Detailed Worksheet”:

Budget Detailed Information

**REVENUES**

**5710 Tax Revenue**

**5720 Tuition & Fees**

**5720 Affiliation**

**5611 Bonds**

**5615 Transfers In**

**5790 Local Revenue**

**5800 State Revenue**

**5900 Federal Revenue**

**Total Revenues**

	Sep	Oct	Nov	1st Qtr.	Dec	Jan	Feb	2nd Qtr.	Mar	Apr	May	3rd Qtr.	Jun	Jul	Aug	4th Qtr.	TOTAL
Total Revenues	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

For each type of revenue your division is expected to receive, click “Add [type]” The form will populate as seen below:

Budget Detailed Information

**REVENUES**

**5710 Tax Revenue**

**5720 Tuition & Fees**

Account Name	Sep	Oct	Nov	1st Qtr.	Dec	Jan	Feb	2nd Qtr.	Mar	Apr	May	3rd Qtr.	Jun	Jul	Aug	4th Qtr.	TOTAL
<input type="checkbox"/> Humble ISD	200000	0	0	200000	0	200000	0	200000	0	0	0	0	0	0	0	0	400000
<input type="checkbox"/> Goose Creek CISD	150000	0	0	150000	0	150000	0	150000	0	0	0	0	0	0	0	0	300000
<input type="checkbox"/> Spring Branch ISD	40000	0	0	40000	0	40000	0	40000	0	0	0	0	0	0	0	0	80000
<input type="checkbox"/> Sub Total	390000	0	0	390000	0	390000	0	390000	0	0	0	0	0	0	0	0	780000

“Account Name” may refer to your different client accounts, or different groups of clients, such as In-County vs. Out-County. As you input values into the month you expect to bill your clients, the quarterly totals and overall totals will populate for you.

## 5720 Tuition & Fees

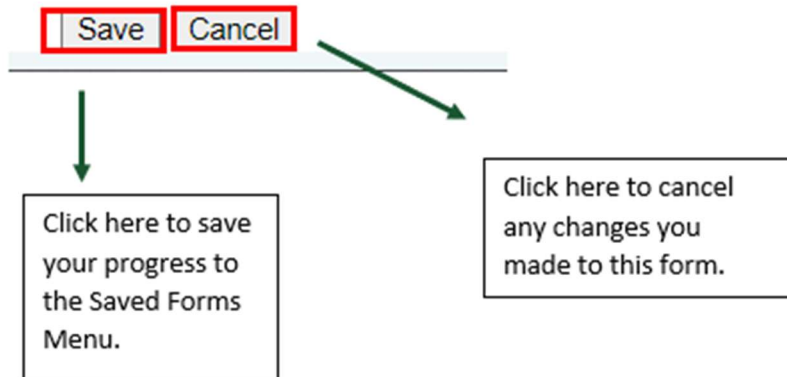
	Account Name	Sep	Oct	Nov	1st Qtr.
<input type="checkbox"/>	Humble ISD	200000	0	0	200000
<input checked="" type="checkbox"/>	Goose Creek CISD	150000	0	0	150000
<input type="checkbox"/>	Spring Branch ISD	40000	0	0	40000
<input type="checkbox"/>	Sub Total	390000	0	0	390000

Add Tuition & Fee

Remove Tuition & Fees

If you find a client will not renew their contract with us and want to delete their line from the form, place a checkmark next to their name and click “Remove [Type]”. This also works if you accidentally click “Add Tax Revenue” instead of “Add Tuition”. Place checkmarks next to all the rows in the category you want to remove and click the button, “Remove” for that category.

Remember to click Save at the bottom of the page.



## Form #04 – Expenditure Worksheet:

Below is what you see when you click on “Form #04 – Expenditure Worksheet”. This form updates every 24 hours from the data you will enter in e-Finance.

**You cannot edit any data here.**

### REQUESTED EXPENDITURE BUDGET WORKSHEET

Selection Criteria:

Fiscal Year: 2022-2023

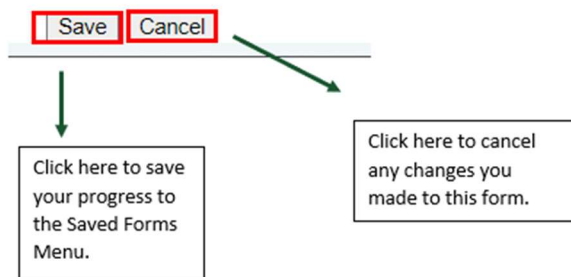
Division: Fortis Academy - (Recovery School)

Fund - 1993 - General Fund

Organization Account	Title	Prior Year Budget	Current Year Budget	Current Year Actual YTD	Current Year Projected	Requested Base	Requested New Program
1993-11-605-99-800-19931160599800 61130000	STIPENDS	13,211.00	13,300.00	7,751.11	0.00	13,300.00	0.00
1993-11-605-99-800-19931160599800 61190000	SALARY-PROF STAFF	327,669.00	349,284.00	212,722.36	0.00	547,350.00	0.00
	Total: PROFESSIONAL SALARIES	340,880.00	362,584.00	220,473.47	0.00	560,650.00	0.00
1993-11-605-99-800-19931160599800 61210000	OVERTIME	800.00	1,000.00	29.02	0.00	1,000.00	0.00
1993-11-605-99-800-19931160599800 61290000	WAGES-SUPPORT STAFF	32,430.00	35,512.00	26,570.16	0.00	35,512.00	0.00
	Total: SUPPORT SALARIES	33,230.00	36,512.00	26,599.18	0.00	36,512.00	0.00
1993-11-605-99-800-19931160599800 61390000	EMPLOYEE ALLOWANCES	0.00	0.00	0.00	0.00	0.00	0.00
	Total: EMPLOYEE ALLOWANCES	0.00	0.00	0.00	0.00	0.00	0.00
1993-11-605-99-800-19931160599800 61410000	FICA/MEDICARE	28,619.00	30,531.00	18,515.00	0.00	34,590.00	0.00
1993-11-605-99-800-19931160599800 61420000	GROUP HEALTH & LIFE INS	19,197.00	14,435.00	12,692.76	0.00	40,741.00	0.00
1993-11-605-99-800-19931160599800 61430000	WORKERS COMPENSATION	1,884.00	2,493.00	1,473.26	0.00	2,790.00	0.00
1993-11-605-99-800-19931160599800 61440000	TRS ON-BEHALF PAYMENTS	0.00	0.00	0.00	0.00	0.00	0.00
1993-11-605-99-800-19931160599800 61450000	UNEMPLOYMENT COMP	1,453.00	1,530.00	959.96	0.00	1,763.00	0.00
1993-11-605-99-800-19931160599800 61460000	TRS-REGULAR-NEW HIRE	2,716.00	5,270.00	2,712.33	0.00	16,823.00	0.00
1993-11-605-99-800-19931160599800 61470000	TRS-CARE ADMIN FEE	2,806.00	2,953.00	1,853.18	0.00	3,391.00	0.00
1993-11-605-99-800-19931160599800 61470009	TRS NON-OASDI	5,986.00	5,387.00	3,800.67	0.00	8,139.00	0.00

HOWEVER, once your e-Finance data is synced to the budget prep module:

1. You will come to this page.
2. Scroll to the bottom.
3. Check that your totals are as you expect them to be.
4. Click “Save”.



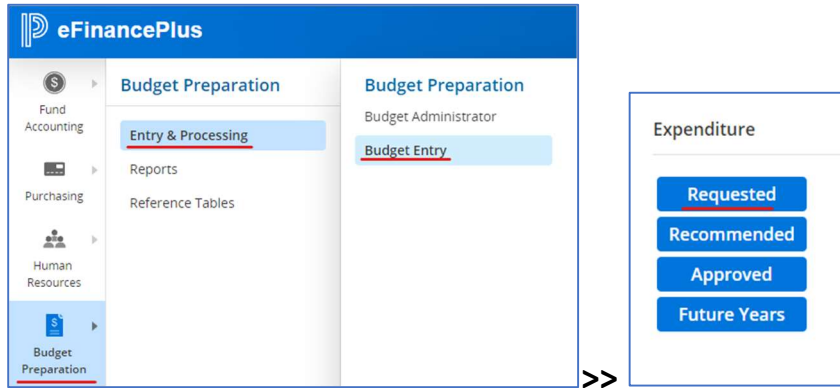
If there is a mismatch between what you entered in e-Finance and this form, please call Julia Watts at Ext: 1344.

**YOU CANNOT EDIT THIS WORKSHEET IN THE PORTAL.  
THIS FORM IS TO BE COMPLETED IN E-FINANCE.**

## Expenditure Worksheet in E-Finance:

To find the Expenditure Worksheet:

1. Login to E-Finance
2. Go to the Budget Preparation Menu
3. Select: Entry & Processing
4. Select: Budget Entry
5. Select: Requested, under the *Expenditure* heading.



Below is what you see when you click on Requested:

The screenshot shows the 'Search Criteria' form. It includes fields for BUDGET CODE, Account, Freeze, FUND, and FUNCTION, each with a search icon. There are also dropdown menus for LOCATION, PROGRAM, and BUDGET MANAGER. The 'BUDGET MANAGER' dropdown is highlighted with a red box. At the bottom left, there are two buttons: 'Search' (highlighted with a red box) and 'Advanced Search'.

Enter your Division's Budget Manager Code into the Budget Manager field and click "Search" to pull up your Division's budget data.

The screenshot shows the budget data table after a search. The table has columns for BUDGET CODE, Account, FY22 Actual, FY23 Budget, FY23 YTD Actual, FY23 Est to Complete, FY24 Requested Base, FY24 Requested New, and Freeze. The 'BUDGET MANAGER' dropdown is set to '111 - SCHOOL BASED THERAPY SVCS'. The 'Search' button is highlighted with a red box.

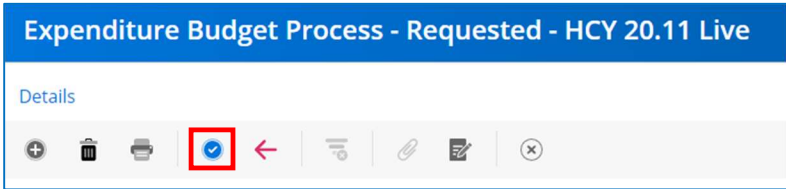
BUDGET CODE	Account	FY22 Actual	FY23 Budget	FY23 YTD Actual	FY23 Est to Complete	FY24 Requested Base	FY24 Requested New	Freeze
19941111199111	63930002	0.00	13,250.00	13,246.70	13,246.70	0.00	0.00	N - Not Frozen
19941111199111	63940002	0.00	2,000.00	0.00	0.00	0.00	0.00	N - Not Frozen
19941111199111	63960000	0.00	2,000.00	0.00	0.00	0.00	0.00	N - Not Frozen
19941111199111	63990000	286.52	8,500.00	684.97	684.97	0.00	0.00	N - Not Frozen
19941111199111	63990006	68,820.00	40,910.00	9,286.70	9,286.70	0.00	0.00	N - Not Frozen
19941111199111	64170000	29,002.88	100,000.00	29,953.14	29,953.14	0.00	0.00	N - Not Frozen
19941311199111	62660000	0.00	400.00	0.00	0.00	0.00	0.00	N - Not Frozen
19941311199111	62990000	0.00	10,000.00	0.00	0.00	0.00	0.00	N - Not Frozen
19941311199111	63290000	-34.28	2,000.00	0.00	0.00	0.00	0.00	N - Not Frozen
19941311199111	63960000	0.00	400.00	0.00	0.00	0.00	0.00	N - Not Frozen
Totals:		5,834,280.82	14,394,958.00	5,348,872.90	5,348,872.90	0.00	0.00	

Columns can be “picked up and moved” to re-arrange for easier data entry.

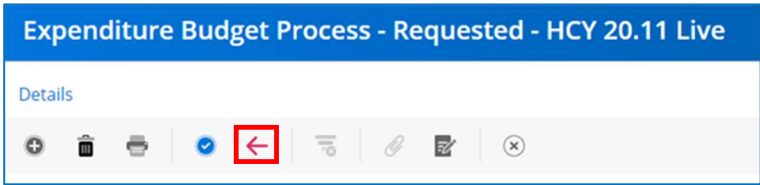
Base	FY24 Requested New	Freeze	BUDGET CODE Title	Account Title
0.00	0.00	N - Not Frozen	Account Title	NEW PURCH-TECH
0.00	0.00	N - Not Frozen		REPLACE-TECH EQ
0.00	0.00	N - Not Frozen		PRINTING & FORM
0.00	0.00	N - Not Frozen		GEN SUPPLIES & M

You will populate your FY 2024-25 budget into the **FY25 Requested Base** column.

E-Finance does NOT auto-save. Please remember to click the blue check to save your work throughout the process. The blue check will not navigate you away from the Worksheet.



To exit the Worksheet, click the **RED ARROW** until you are back to the Dashboard. (While the ‘x’ also works, it is not a good habit for the operation of e-Finance.)



The following page details instructions regarding Budget Entry for expenditures.



# REQUESTED EXPENDITURE BUDGET WORKSHEET

COMPLETED IN E-FINANCE

## COLUMN HEADING

## DESCRIPTION

ORGANIZATION /ACCOUNT The budget code and account code.

TITLE The name of the account code

PRIOR YEAR BUDGET	FY 2022-23 budget amount as of August 31, 2023
-------------------	--

NOTE: This is directly off the eFinance system as reference.

## CURRENT YEAR SECTION:

BUDGET FY 2023-24 budget amended amount as of January 31, 2024

YTD ACTUAL FY 2023-24 revenues as of January 31, 2024

PROJECTED Same information as YTD ACTUAL (not used)

# FY24 Original Approved Total = FY25 Requested Base Total

DIVISION WILL ENTER UPDATED ALLOCATION between accounts 62\*, 63\*, & 64\*

## REQUESTED SECTION: COMPLETED BY THE DIVISIONS

REQUESTED BASE: This column is completed by the division. Enter the allocation of the Division's budget for the New Fiscal year for Accounts 62xx, 63xx & 64xx

**\*Do not fill out the payroll costs section (61XX). This information is provided by HR.**

**\*Do not fill out "Legal Fees" even if your Division has Legal Fee costs. This Account is managed by Business Services**

Rules of Requested Base: Sum total of accounts 62xx, 63xx, & 64xx MUST equal your approved budget as of Sept 1, 2023. While allocation can change within these accounts, combined they cannot exceed your previous total budget.

REQUESTED NEW: In this column show any new activity that the division wants to implement.

Rules of Requested New: Any Values in Requested New Column must have a corresponding **Request for Additional Funds Form**.

The REQUESTED EXPENDITURE BUDGET WORKSHEET is broken down by function and account code groups. Each function has a subtotal. Each account code group, such as professional salaries, support salaries, employee benefits, etc., also has a subtotal.

## Form #05 - Expenditure Detailed Worksheet:

Below is what you see when you click “Form #05 - Expenditure Detailed Worksheet”:

Budget Detailed Information

**EXPENDITURES**

**6100 Payroll Costs**

**6200 Professional & Contracted Services**

**6300 Supplies & Materials**

**6400 Miscellaneous Operating Costs**

**6500 Debt Service**

**6620 Building Construction Costs**

**6640 Replacement Technology Equipment**

**8000 Transfer In-Out**

**Total Expenditures**

	Sep	Oct	Nov	1st Qtr.	Dec	Jan	Feb	2nd Qtr.	Mar	Apr	May	3rd Qtr.	Jun	Jul	Aug	4th Qtr.	TOTAL
Total Expenditures	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

For each type of expenditure your division is expected to require, click “Add [type]”. The form will populate as seen below:

**EXPENDITURES**

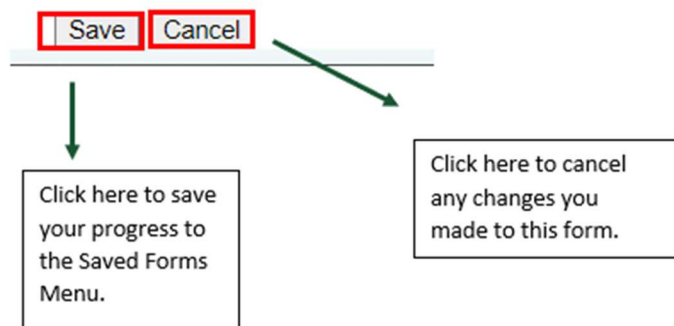
**6100 Payroll Costs**

**6200 Professional & Contracted Services**

Account Name	Sep	Oct	Nov	1st Qtr.	Dec	Jan	Feb	2nd Qtr.	Mar	Apr	May	3rd Qtr.	Jun	Jul	Aug	4th Qtr.	TOTAL
<input type="checkbox"/> Consultants	0	0	1000	1000	1000	0	0	1000	0	0	0	0	0	0	0	0	2000
<input type="checkbox"/> Staff Development	0	500	0	500	0	1000	0	1000	0	0	0	0	0	0	0	0	1500
<input type="checkbox"/> Sub Total	0	500	1000	1500	1000	1000	0	2000	0	0	0	0	0	0	0	0	3500

“Account Name” would refer to your different expenditure groups (such as “staff development” or “new projector”) under the account type (62\* vs 63\* vs 64\*). As you input values into the month you expect to pay for these costs, the quarterly totals and overall totals will populate for you.

Remember to click Save at the bottom of the page.



## Form #06 - Division Needs Assessment

Below is what you see when you click “Form #06 - Division Needs Assessment”

### Division Needs Assessment

As you prepare your budget for the next fiscal year, thinking about the following seven elements may help you review characteristics of your division that reflect your capacity and needs to meet your goals. Think about your desired level of capacity for each category, your current capacity, and what resources you may need to meet the desired level. For each need that is identified, please complete the areas below.

All fields are required. If an area does not apply put N/A.

#### Organizational Structure Needs

a. Comprehensive Description (What)

b. Justification (Why)

c. Timeline (When)

d. Implementation (How)

e. Funding Need (Costs)

This form is long. The same five fields repeat through each of the seven Needs Elements:

1. Organizational Structure Needs - An organizational structure need consists of activities such as task allocation, coordination, and supervision.
2. Policy Needs - A policy need involves HCDE local or legal policy.
3. Business Model Needs - A business model describes the rationale how the division creates, delivers, and retains its core service/product.
4. Strategies & Marketing Needs - A marketing strategy describes the method of focusing resources to have increased sales or market niche.
5. Fiscal Needs - A fiscal need is the use of government expenditure.
6. Human Resources Needs - A human resource need involves employees.

7. Division Identified Special Needs not included in 1 to 6 - Any other need not described above.

All fields are required on this form. If an area does not apply put N/A. If you attempt to Save and any field is blank, a reminder will appear at the top of the form:

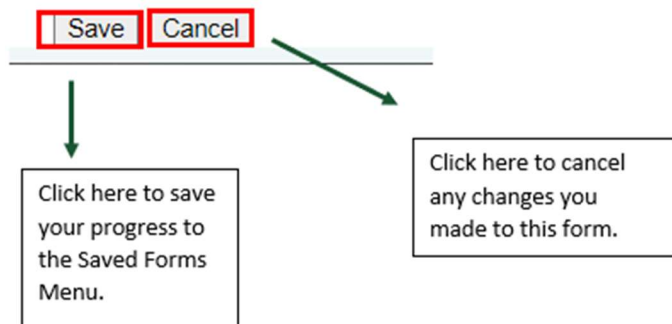
All fields are required. Use N/A if necessary.

#### Organizational Structure Needs

##### I. Comprehensive Description (What)

---

Remember to click Save at the bottom of the page.



The following page details the philosophy and expectation of your annual Needs Assessment.

## NEEDS ASSESSMENT INSTRUMENT INSTRUCTIONS

---

To plan the professional development and budget for the Division and the Department, we are requesting that all division heads conduct a divisional needs assessment. The information gathered from the needs assessment should be used in the development of your budget for the 2024-2025 year. In addition, the information will also be used to plan the organization wide and division staff development activities.

The Elements have been included to assist you in formulating your division needs for the coming year. Please **list your division needs** under the appropriate element. Based on these needs and data, the Department (HCDE) goals will be reflective of the Division Needs Assessment that we will include in the Accountability Report to the Superintendent and the Board of Trustees.

The **accountability system** is a way of tracking progress towards meeting the goals. It also reports the previous activity. As you plan your strategies and objectives to meet your goals, a need assessment is needed to identify those areas that you feel are needed for goal attainment. Among the categories that you should consider include:

1. **Organizational Structure Needs** - An organizational structure need consists of activities such as task allocation, coordination, and supervision.
2. **Policy Needs** - A policy need involves HCDE local or legal policy.
3. **Business Model Needs** - A business model describes the rationale how the division creates, delivers, and retains its core service/product.
4. **Strategies & Marketing Needs** - A marketing strategy describes the method of focusing resources to have increased sales or market niche.
5. **Fiscal Needs** - A fiscal need is the use of government expenditure.
6. **Human Resources Needs** - A human resource need involves employees.
7. **Division Identified Special Needs not included in 1 to 6** - Any other need not described above.

For each need that you identify, you must include the following fields:

- Comprehensive Description of the need (The What)
- Justification (The Why)
- Timeline (The When)
- Implementation (The How)
- Funding Need (if available, it the Cost)



## Form #07 – GAP Analysis

Below is what you see when you click “Form #07 – GAP Analysis.”

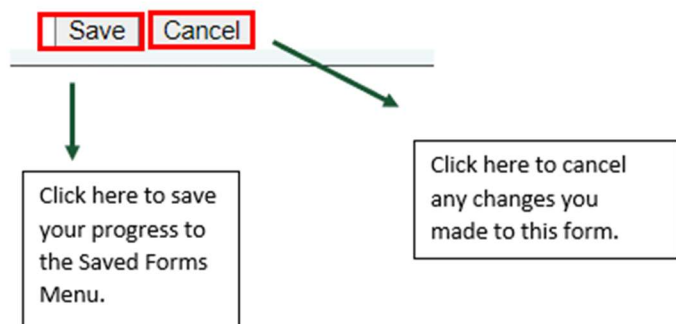
GAP Analysis				
	Strategic Objective	Current Objective	Deficiency	Action Plan
<input type="checkbox"/>				

Each division expected to offer a GAP Analysis for **each** of its strategic objectives. Only one row of fields is visible to begin your form, therefore you must click “Add a New Row” for each of your remaining objectives.

Use your Web Browser’s Zoom Function to make the text larger to read:

GAP Analysis				
	RecordID	Strategic Objective	Current Objective	
<input type="checkbox"/>	1	Achieve & maintain full staffing of all positions	Consistently recruiting & interviewing. Conduct three scheduled job fairs annually and ongoing interviews monthly.	Lack of Quality
<input type="checkbox"/>	2	Build a <u>Coolwood</u> Head Start <u>facility</u>	Construction fully funded by Health and Human Services (HHS)	Rep:

Remember to click Save at the bottom of the page.



## Form #7.1 – Academic Return on Investment

For the Divisions which this information is Required, please upload your AROI as a PDF file:

Click “Choose file” then “Upload” to attach any PDF documents which may support your purchase.

Upload files (file must be pdf format)

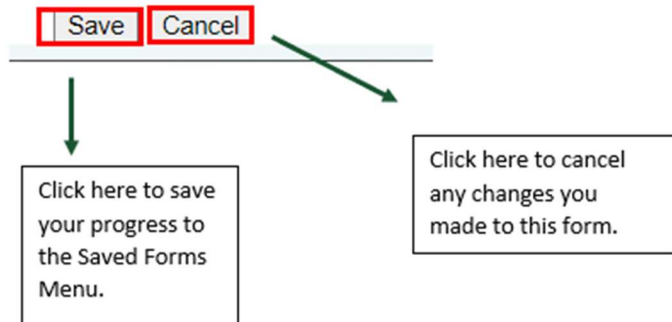
Choose File

No file chosen

Upload

File Uploaded

Remember to click Save at the bottom of the page.



## Form #08 - Capital Outlay Justification

Below is what you see when you click “Form #08 - Capital Outlay Justification.”

Capital Outlay Justification Form

	Priority	Description	Goal	Qty.	Unit Cost	Estimated Cost	Replacement
<input type="checkbox"/>	0			0	0	0	<input type="checkbox"/>

	Description	Fund	Func	Loc	Prog	BMC	Acct Code	Amount
<input type="checkbox"/>								0

**Justification**

**When you add one on top, add one on bottom as well.**

Upload files (file must be pdf format)

No file chosen

File Uploaded

For each Capital Purchase, click “Add a new Row” for **both** the project details and the account coding for that project. Each row in the bottom grid will correspond its respective row in the top grid. Multiple justifications may be required for different Capital Purchases

Capital Outlay Justification Form

	Priority	Description	Goal	Qty.
<input type="checkbox"/>	1	Automatic Locking Doors	1	6
<input type="checkbox"/>	2	Surface Pro's for Educational Aides	1	24

	Description	Fund	Func	Loc	
<input type="checkbox"/>	OTHER EQUIP PURCH	1994	11	601	99
<input type="checkbox"/>	NEW PURCHTECH< \$50	1994	11	601	99

**Justification**

1. We need 6 automatic locking doors for the safety of our students.

2. To ensure teachers assistants are equipped with the necessary technology required to perform job obligations and responsibilities.

Click “Choose file” then “Upload” to attach any PDF documents which may support your purchase.

Upload files (file must be pdf format)

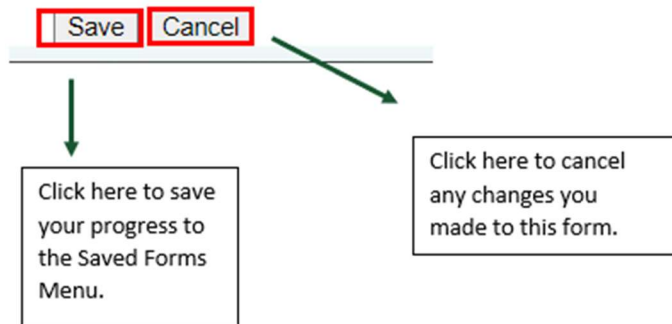
Choose File

No file chosen

Upload

File Uploaded

Remember to click Save at the bottom of the page.



The following page details the definitions of Capital Assets, Non-Capital Assets, and Sensitive Items. This form regarding “Capital Outlay” is in reference to both Capital and Non-Capital Assets, which is any purchase of \$1,000 or more for physical items which must be tracked for insurance purposes.

## INSTRUCTIONS FOR BUDGETING FOR CAPITAL OUTLAY

### POLICY

HCDE policy (CFB-Legal, CFB-Local) requires that all assets over \$1,000 be tracked and inventoried on an annual basis. These items are listed on the Fixed Asset Inventory List and physically located and counted each year by the Fixed Asset Clerk or by the Division. The fixed asset inventory list is the basis for replacement values for insurance purposes.

Estimated Useful Life schedule:

ASSET CLASS	ESTIMATED USEFUL LIFE
Land	Indefinite
Buildings	40 Years
Furniture	10 Years
Technology Equipment	3 Years
Other Equipment	5 Years

#### **All taggable and tracked assets: Capital vs Non-Capital**

All purchases of equipment, technology, furniture, or other items, of **\$5,000 or more per unit** are Capital Assets. They are tracked and their value is held as an Asset on our ledger, the value depreciating over their useful life.

New purchases are coded to objects 663\*, replacements to 664\*.

All purchases of equipment, technology, furniture, or other items, of **\$1,000 per unit to \$4,999 per unit** are tagged and tracked as non-capital assets. The value is not held on our ledger over their useful life, but we do track their value for insurance purposes.

New purchases are coded to object 6393\*, Replacements to 6394\*.

#### **Tagged assets with a lower price point: Non-Capital vs Sensitive Items**

Technology items – even the same item purchased at different times, often fall just above and/or just below the \$1,000 threshold for Non-Capital assets. It is important to know when a budget transfer is necessary for your purchase.

If your purchase of the below type items (including set-up charge such as “Autopilot” software) **does not** exceed \$1,000 per unit, then you are purchasing a Sensitive Item. Sensitive Items are coded to account 63990006 and are also tagged in accordance with HCDE’s fixed assets policy:

Computers | Laptops | Tablets/iPads | Projectors  
Monitors (\$250-\$999) | Printers (\$500-\$999) | Scanners (\$500-\$999)

Based on the above, you might purchase tablets that cost \$300 each and those are Sensitive Items, but also purchase a printer for \$450, which is General Supplies.

## Form #09 - Travel Justification

Below is what you see when you click “Form #09 - Travel Justification.”

Zoomed in details below.

Travel Justification Form

Division Name: Assistant Superintendent for Education and Enrichment

Date of Request\*:

Division Director\*:

Position Title\*:

IN-STATE TRAVEL

RecordID	Position	Destination	Date	Goal	# of Persons	Unit Cost	Estimated Cost
1			2/1/2023	Select	0	0	0
2			2/1/2023	Select	0	0	0
3			2/1/2023	Select	0	0	0
4			2/1/2023	Select	0	0	0
5			2/1/2023	Select	0	0	0

Grand Total : 0

OUT-OF-STATE TRAVEL

RecordID	Position	Destination	Date	Goal	# of Persons	Unit Cost	Estimated Cost
1			2/1/2023	Select	0	0	0
2			2/1/2023	Select	0	0	0
3			2/1/2023	Select	0	0	0
4			2/1/2023	Select	0	0	0
5			2/1/2023	Select	0	0	0


Grand Total : 0

RecordID	Description	Fund	Func	Loc	Prog	BMC	Acct Code	Amount
1								0
2								0
3								0
4								0
5								0

Grand Total : 0

Justification:

Save Cancel

Date of Request\*:   **Date you fill out this form.**

Division Director\*:  **Division Name**

Position Title\*:  **Auto Populates with division head.**

**The above person's title.**

RecordID	Position	Destination	Date	
1			2/1/2023	Select
2			2/1/2023	Select
3			2/1/2023	Select
4			2/1/2023	Select
5			2/1/2023	Select

Positions of persons traveling

Will display current date.  
Overwrite to Expected Travel Date

Use one line or each trip planned for the next fiscal year.



Goal	# of Persons	Unit Cost	Estimated Cost
▼	0	0	0
▼	0	0	0
▼	0	0	0
▼	0	0	0
▼	0	0	0

Select the Goal that reflects the purpose of this travel.

How many people authorized for this trip?

Estimated cost per person to travel.

Remember to click Save at the bottom of the page.

Click here to save your progress to the Saved Forms Menu.

Click here to cancel any changes you made to this form.

You may save more than one Travel Justification form. If you run out of room with the lines provided, Save it and Re-select "Form #09 - Travel Justification" from the Budget Forms Menu. This form will not "grey out," allowing you to save a second or third form.

## Form #10 - Request for Additional Funds

Below is what you see when you click “Form #10 - Request for Additional Funds.”

Zoomed in details below.

Date of Request\*:

Priority Need #:

Division Director\*:

Position Title\*:

Description of Need:

Amount Needed:

Supporting Data or Justification:

HCDE Goals: Check all that apply.

Objective:

Evaluation and Outcomes to be Achieved:  
(What should be achieved and by when?  
Include estimated project length.)

**Division Name: Fortis Academy - (Recovery School)**

Date of Request\*:

Priority Need #:

Division Director\*:

Position Title\*:

RecordID	Rowname	Amount	%	One Time Cost	Recurring Cost
1	6200 - Professional and contracted	0	0	<input type="checkbox"/>	<input type="checkbox"/>
2	6300 - Supplies and Materials	0	0	<input type="checkbox"/>	<input type="checkbox"/>
3	6400 - Other Operating Cost	0	0	<input type="checkbox"/>	<input type="checkbox"/>
4	6600 - Capital Outlay	0	0	<input type="checkbox"/>	<input type="checkbox"/>
5	6100 - Payroll Cost	0	0	<input type="checkbox"/>	<input type="checkbox"/>

Supporting Data or Justification:

☐ Goal #1 Impact education by responding to the evolving needs of Harris County  
☐ Goal #2 Deliver value to Harris County by utilizing resources in an ethical, transparent, and fiscally responsible manner  
☐ Goal #3 Advocate for all learners by using innovative methods to maximize students' potential  
☐ Goal #4 Provide cost-savings to school districts by leveraging tax dollars  
☐ Goal #5 Recruit and maintain a high-quality professional staff

Date of Request\*:

Priority Need #:

Division Director\*:

Position Title\*:

Description of Need:

Date of Request\*:

Priority Need #:

Division Director\*:

Position Title\*:

Date you fill out this form.

Priority of need  
(1-High → 5-Low)

Auto Populates  
The above person's title.

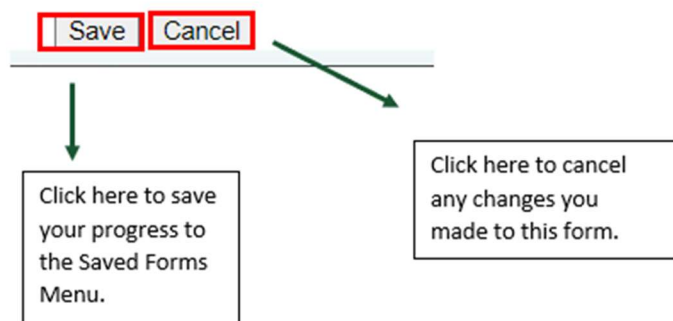
What do you need this  
money for?

RecordID	Rowname	Amount	%	One Time Cost	Recurring Cost
1	6200 - Professional and contracted	0	0	<input type="checkbox"/>	<input type="checkbox"/>
2	6300 - Supplies and Materials	4250	7.05	<input type="checkbox"/>	<input checked="" type="checkbox"/>
3	6400 - Other Operating Cost	0	0	<input type="checkbox"/>	<input type="checkbox"/>
4	6600 - Capital Outlay	0	0	<input type="checkbox"/>	<input type="checkbox"/>
5	6100 - Payroll Cost	56000	92.95	<input type="checkbox"/>	<input checked="" type="checkbox"/>

1. For each Account category, estimate the amount your overall budget will increase, the percentage of total increase per line, and if that line increase is recurring or only for one fiscal year.
2. (See below) Enter supporting data you may have or other justification for the budget increase.
3. Select the relevant goals to be achieved with this budget increase.
4. Explain how these additional funds will assist the Division with achieving a given Strategic Objective.

Supporting Data or Justification:	The additional counselor will provide and alcohol issues, addictions, and ot counselors provide the support, resour their road to recovery. This additiona addiction management issues, which can
HCDE Goals: Check all that apply.	<input checked="" type="checkbox"/> Goal #1 Impact education by responding t <input type="checkbox"/> Goal #2 Deliver value to Harris County by <input checked="" type="checkbox"/> Goal #3 Advocate for all learners by using <input type="checkbox"/> Goal #4 Provide cost-savings to school di <input checked="" type="checkbox"/> Goal #5 Recruit and maintain a high-quali
Objective:	The additional staff will allow Fortis back to their home campus or district
Evaluation and Outcomes to be Achieved: (What should be achieved and by when? Include estimated project length.)	There will be an increase in the numbe their home district or have graduated. the home campus prior to new student e

Remember to click Save at the bottom of the page.




## Form #11 – SWOT Analysis

Below is what you see when you click “Form #11 – SWOT Analysis.”

**Division Name: Fortis Academy - (Recovery School)**

1. Where are we?  
2. What is our market?  
3. Where are we going?  
4. Goals

Request:  

Date:

Division Director:

Strengths:

Weakness:

Opportunities:

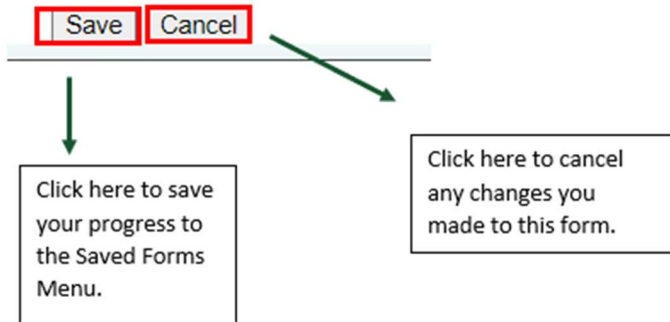
Threats:

Prior to completing this form, ask yourself these questions:

1. Where are we?
  - a. Geographically, and/or strategically: Is your division in transition from one way of working to another? Does our geographic region assist your division or present a challenge to overcome?
2. What is our market?
  - a. Our clients and our vendors: both present and potential. What challenges and/or benefits do we have with these relationships?
3. Where are we going?
  - a. What challenges, for better or worse, do you see in the future? Is there stability on the horizon or turbulence?
4. What are our Goals?
  - a. Not just HCDE Goals. What are the goals for your division?

After thinking over these questions, your SWOT analysis will outline the Strengths, Weaknesses, Opportunities, and Threats for your Division. This will summarize what challenges and achievements your division can expect for the next fiscal year and beyond.

Remember to click Save at the bottom of the page.



## Form #12 – Budget Manager Overview

Below is PARTIALLY what you see when you open this form. This is a long form with several sections. Each section will be presented individually.

### Current Year Objectives

#### Service Delivery Objective\*:

#### Client Satisfaction Objective\*:

#### Outcomes Objective\*:

#### Financial Objective\*:

#### 1. Current Year Objectives

- a. Each of the four Strategic objectives for your division. Explain how your division pursues those objectives.
- b. Doesn't change much. Review last year's submission to see if revision is needed.

### Prior Year Highlights

#### 2. Prior Year Highlights

- a. Your time to brag about yourself. Tell us about the exceptional work your division achieves in the last year. Perhaps an obstacle was overcome to meet your objectives.
- b. Does change. Make it new.



**Program Narrative**

**3. Program Narrative**

- a. A short summary to describe your program.
- b. Doesn't change much. Review last year's submission to see if revision is needed.

**Division Goals (enter 1-3)**

**4. Division Goals**

- a. These would be the same goals you reviewed in the SWOT Analysis, enter up to 3.
- b. Doesn't change much. Review last year's submission to see if revision is needed.

**HCDE Goals - Check all that apply**

- ☐ 1 Impact education by responding to the evolving needs of Harris County
- ☐ 2 Deliver value to Harris County by utilizing resources in an ethical, transparent, and fiscally responsible manner
- ☐ 3 Advocate for all learners by using innovative methods to maximize students' potential
- ☐ 4 Provide cost-savings to school districts by leveraging tax dollars
- ☐ 5 Recruit and maintain a high-quality professional staff

**5. HCDE GOALS**

- a. Which of HCDE goals does your division actively participate in?
  - i. (Side note: HR is not the only Division which participates in maintaining high quality professional staff for The Department. Your employees are HCDE's employees. If you have efforts toward staff development and retention, then your division also participates in this HCDE Goal.)

### Personnel Allocations

RecordID	Position	Prior to Prior Year	Prior Year	Current Year
1		0	0	0
2		0	0	0
3		0	0	0
4		0	0	0
5		0	0	0
6		0	0	0

**Total :**                      0                                      0                                      0

#### 6. Personnel Allocations

- a. Prior to Prior year = FY 23 | Prior year = FY 24 | Current year = FY 25
- b. Because there is limited space on your division's Overview page in our Budget Book, please group personnel categories onto these 6 lines. Refer to your Budget Book Page or call Julia Watts at ext. 1344 for more details.

### General Operating Fund Expenditures by Object

RecordID		Prior to Prior Year Actual	Prior Year Projected	Current Year Budget
1	Payroll	0	0	0
2	Contracted Services	0	0	0
3	Supplies & Materials	0	0	0
4	Other Operating Expenses	0	0	0
5	Capital Outlay	0	0	0

**Total :**                      0                                      0                                      0

#### 7. General Operating Expenditures.

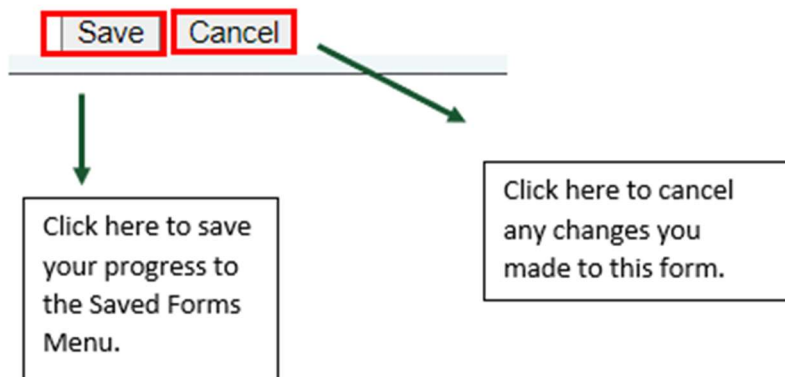
- a. Prior to Prior year = FY 23 | Prior year = FY 24 | Current year = FY 25
- b. When the budget is approved and these tables are updated for the new Budget Books, I will update the current year (FY25) data – JW

## 8. Performance Measures

- a. Research and Evaluation have provided these metrics to you which are customized for each division.
- b. They usually coincide with your division's strategic objectives, with perhaps additional items measured.

RecordID	Performance Measures	Prior to Prior Year Actual	Prior Year Projected	Current Year Budget
1				
2				
3				
4				
5				
6				

Remember to click Save at the bottom of the page.



## Form #13.1 – Capital Project Request Form

Capital Projects are a major undertaking, not a simple capital purchase, this form is for those Divisions in need of construction of a new building, major repair, or renovations to their building or facility equipment.

There are many Federal Grants that assist in Capital Projects. Those would be described under “Other Resources”. Ultimately, we need to know the financial impact (for construction and to maintain) on our General Fund.

### Capital Project Request Form

#### HCDE - Project #1

#### MAJOR MAINTENANCE & ASSET REPLACEMENT-CAPITAL PROJECT REQUEST FORM

**Division Name: Assistant Superintendent for Education and Enrichment**

#### Division Contact Info:

Project Name:

Estimated Total Project Cost:

General Fund Request:

Other Resources:

Total Net Operations and Maintenance Impact:

Net Operations and Maintenance Impact-General Fund Only:

Estimated Project Duration (months):

Estimated Project Date:  

## PROJECT DESCRIPTION (one page only)

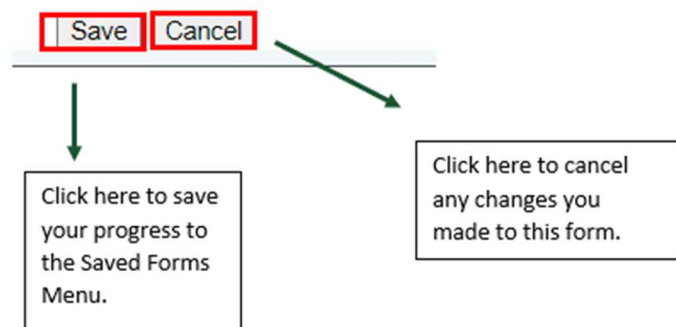
Please provide a short description of the major maintenance and asset replacement project, including details regarding the project's schedule, history, scope, size, and location (including physical address). If possible reference a plan, study, assessment, or report that cites the need for this project. Indicate if this project was submitted in a budget request, if so what year(s)? Additionally, please address the following questions:

- What are the desired results of the project?
- Who are the beneficiaries of the project?
- What are the short and long term benefits of completing this project?
- Are there other alternatives to completing this project and do they achieve the desired outcomes?
- Are there other sources of funding that can be obtained (i.e. grant funding)? if so, please detail.

Save

Cancel

Remember to click Save at the bottom of the page.





# Form #13.2 – Score Sheet (required for Capital Project Request Form)

## Score Sheet

Division Name: Assistant Superintendent for Education and Enrichment

Total Project Cost:  Project:  GF Request:  Total Net Operations and Maintenance Impact:

Consequences	Risk Points	Risk Score	Benefits	Benefits Points	Benefits Score
Project avoids or reduces risk of...			Project promotes positive benefits by...		
<b>Human Health and Safety Impacts (including in the workplace)</b>					
		<input type="text"/>			
Multiple fatalities and/or emergency response affected	6		Improves emergency response times or emergency preparedness	1	<input type="text"/>
Single fatality/multiple serious injuries	5		Improves safety	1	<input type="text"/>
Serious injuries	4		Improves opportunity for physical activity	1	<input type="text"/>
Minor injuries	3		Protects people/property from climate change impacts and natural hazards	1	<input type="text"/>
No potential human health or safety impact	0		Benefit Subtotal		<input type="text"/>
<b>Service Impacts</b>					
		<input type="text"/>			
Disruption of essential service to customer.	6		Expands capacity or increases services levels above baseline	1	<input type="text"/>
Disruption of service to 1,000 customers	5		Implements Lean or other type of business process improvement(s)	1	<input type="text"/>
Disruption of service to 100-999 customers	4		Re/establishes service to underrepresented or underserved groups	1	<input type="text"/>
Disruption of service to < 100 customers	3		Implements an identified and documented community priority		<input type="text"/>
Community complaints	2		Benefit Subtotal		<input type="text"/>
No potential service impact	0				
<b>Environmental Impacts</b>					
		<input type="text"/>			
Permanent, widespread ecological damage	6		Reduces waste production and/or resource use (e.g. energy, water)	1	<input type="text"/>
Heavy ecological damage, costly restoration	5		Reduces carbon emissions	1	<input type="text"/>
Major but recoverable ecological damage	4		Creates or restores habitat	1	<input type="text"/>
Limited and recoverable ecological damage	3		Improves water quality		<input type="text"/>
Minor, short-term damage	2		Benefit Subtotal		<input type="text"/>
No potential service impact	0				
<b>Legal, Regulatory, or Compliance Obligations</b>					
		<input type="text"/>			
Department sued/fined - project results in full compliance			Implements an identified action in an approved Department plan	1	<input type="text"/>
Department sued/fined - project results in partial compliance	6		Implements future mandates	1	<input type="text"/>
Department warned - project result in full compliance	5		Implements audit recommendation	1	<input type="text"/>
Department warned - project results in partial compliance	4		Forward adopted city policy		<input type="text"/>
Project does not address legal/regulatory/compliance obligation	3		Benefit Subtotal		<input type="text"/>
	0				
<b>Financial Impact</b>					
		<input type="text"/>			
Prevents asset loss, revenue loss, and/or R/R/R cost > \$1 million	6		Reduces future OM cost	1	<input type="text"/>
Prevents asset loss, revenue loss, and/or R/R/R cost \$100,00 - \$1 million	5		Positive economic impact (e.g. tourism, neighborhood revitalization)	1	<input type="text"/>
Prevents asset loss, revenue loss, and/or R/R/R cost > \$10,000 - \$100,000	4		Increases life expectancy of asset	1	<input type="text"/>
Prevents asset loss, revenue loss, and/or R/R/R cost < \$10,000	3		Leverages other funding sources		<input type="text"/>
No potential financial impact	0		Benefit Subtotal		<input type="text"/>
Total Consequence Score (Maximum = 30)		<input type="text"/>	Total Benefit Score (Maximum = 30)		<input type="text"/>



Likelihood

Without this project, the asset is expected to fall in:

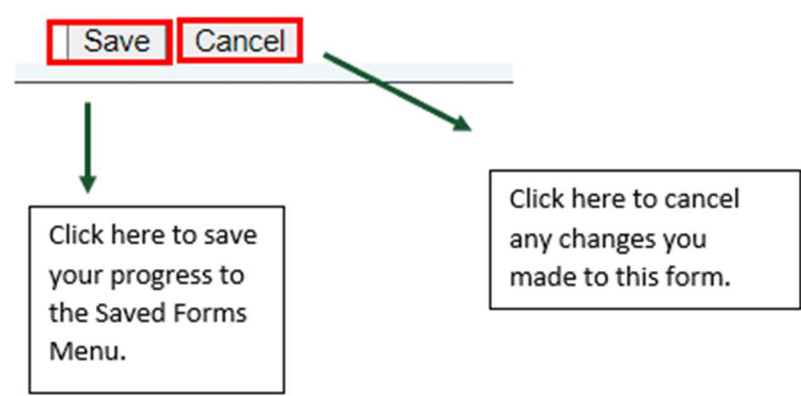
▼

Already failed or will fail in less than 1 year	100%	Overall RISK Score Risk = Consequence score + Benefit score x Likelihood %	<div>Maximum = 50</div>
1 to 2 years	90%		
2 to 3 years	80%		
3 to 5 years	70%		
6 to 10 years	60%		

Save

Cancel

Remember to click Save at the bottom of the page.



Form #14 – (removed)

**For these next 3 forms, additional documentation will be necessary to fulfill your requirements with HR. These documents will be due to HR by April 2, 2024.**

## Form #15 – Position Listing Form

Below is what you see when you click into “Form #15 – Position Listing Form”:

**FY 2022-2023 Budget Planning Page**  
**Position Listing**

Division: Fortis Academy - (Recovery School)

>	Location	Position	Job Description	Board Approved Positions	Positions Requested for FY2022-2023
>	ADMINISTRATION	P480501501	P-2 INSTRUCTIONAL COACH	4.000000	<input type="text" value="4.000000"/>
>	FORTIS ACADEMY	A123605800	A-3 RECOVERY COACH	1.000000	<input type="text" value="1.000000"/>
>	FORTIS ACADEMY	A240605800	A-7 PRINCIPAL - FORTIS	1.000000	<input type="text" value="1.000000"/>
>	FORTIS ACADEMY	A240605800	A-7 PRINCIPAL - SCHOOLS	1.000000	<input type="text" value="1.000000"/>
>	FORTIS ACADEMY	C875605800	TEACHER - SCHOOLS	5.000000	<input type="text" value="5.000000"/>
>	FORTIS ACADEMY	I825605800	I-3 EDUCATIONAL AIDE III	1.000000	<input type="text" value="1.000000"/>
>	FORTIS ACADEMY	I875605800	RELIEF INSTRUCTOR	1.000000	<input type="text" value="1.000000"/>
>	FORTIS ACADEMY	P406605800	P-3 RECOVERY PROGRAM COORDINATOR	1.000000	<input type="text" value="1.000000"/>
>	FORTIS ACADEMY	P415605800	P-2 COUNSELOR - SCHOOLS	1.000000	<input type="text" value="1.000000"/>
>	FORTIS ACADEMY	P440605800	P-1 NURSE - SCHOOLS	1.000000	<input type="text" value="1.000000"/>
>	FORTIS ACADEMY	S760605800	S-4 SECRETARY TO PRINCIPAL	1.000000	<input type="text" value="1.000000"/>

**Non-Salary Budget Listing**

Location	Account Title	Budget Code	Budget	New Budget Requested for FY2022-2023
FORTIS ACADEMY	STIPENDS	19933160599800	0.00	<input type="text" value="0.00"/>
FORTIS ACADEMY	STIPENDS	19931160599800	13300.00	<input type="text" value="13300.00"/>
FORTIS ACADEMY	OVERTIME	19931160599800	1000.00	<input type="text" value="1000.00"/>
FORTIS ACADEMY	OVERTIME	19932360599800	1000.00	<input type="text" value="1000.00"/>
FORTIS ACADEMY	EMPLOYEE ALLOWANCES	19931160599800	0.00	<input type="text" value="0.00"/>
FORTIS ACADEMY	EMPLOYEE ALLOWANCES	19932160599800	375.00	<input type="text" value="375.00"/>

### Number of Positions Requested:

You can edit the Requested column on this page.

Indicate the number of positions needed. Please review the number of positions approved for the prior budget year and the current number of incumbents to determine the number of FTEs required.

### Non-Salary Budget Listing:

Enter the amount of funds requested for non-salary wages you expect to use in the next fiscal year.

**Please do not hesitate to contact HR should you have any questions or need additional information.**

## Form #16 – Position Request Form

Below is what you see when you click into “Form #16 – Position Request Form”:

### Position Request Form

Request a new position, the following documents must be submitted to the Human Resources division along with the Position Request Form:

Description detailing job duties and responsibilities, the requested level of education, and the requested level of experience for the position

Organization chart for the division requesting the new position

**Division Name: Fortis Academy - (Recovery School)**

#### Division Information

Budget Manager Number:   
Division Director:   
Date of Request:

#### New Position Information

Position Title:   
Pay Grade:   
Work Days:   
Desired Start Date:   
Type of Position:

Number of FTE's:

Position Justification:

How are duties being accomplished now?

Proposed budget amount (salary and benefits):

Budget/Account code:

Funding source(s): ☐ General Fund  
☐ Special Revenue  
☐ Internal Service Fund  
☐ Enterprise Fund

If this position is not approved, the following would be impacted: (check all that apply): ☐ Service to external clients  
☐ Service to internal clients  
☐ Accountability  
☐ Research efforts  
☐ Revenue generation

Other:

This position supports the following HCDE Board goals: ☐ 1. Impact education/respond to evolving needs  
☐ 2. Deliver value responsibly  
☐ 3. Advocate for learners through innovation  
☐ 4. Provide cost savings by leveraging tax dollars  
☐ 5. Recruit high-quality professionals

The Position Request Form collects information related to the need for the new position, benefits to the program and/or Department, and how the new position will assist your division in carrying out its goals and objectives and/or the goals of the Department. Please include a proposed job description and an organizational chart with the Position Request Form.

To request a new position, the following documents must be Uploaded as PDF file along with the Position Request Form:

- Job description detailing job duties and responsibilities.
- The requested level of education.
- The requested level of experience for the position.
- Organization chart for the division requesting the new position.

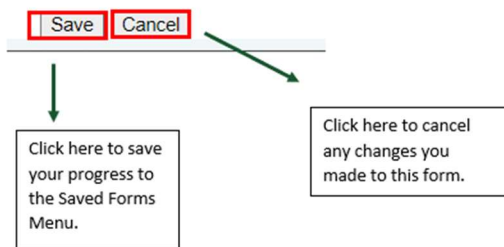
Upload files (file must be pdf format)

No file chosen

File Uploaded

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Remember to click Save at the bottom of the page.



**Please do not hesitate to contact HR should you have any questions or need additional information.**

## Form #17 – Position Change Form

Below is what you see when you click into “Form #17 – Position Change Form”:

### Division Information

Budget Manager  
Number\*:

Division Director\*:

Date of Request\*:  

### Current Position Information

Position Title\*:

Pay Grade\*:

Work Days\*:

Position Control  
Number\*:

Current budget  
amount (salary  
and benefits)\*:

Budget/Account  
code\*:

Reason for the  
position change:

☐ Job responsibilities have increased

☐ Job responsibilities have decreased

☐ Program change

☐ New or additional certification/licensure required

☐ Other

Other:

### Proposed Position Information

Position Title

Pay Grade:

Work Days:

Current budget  
amount (salary  
and benefits):

Budget/Account  
code:

Funding  
source(s):

☐ Special Revenue

☐ Internal Service Fund

☐ Enterprise Fund

☐ General Fund

Position change  
justification:

If this position is not approved, the following would be impacted: (check all that apply):

- ☐ Service to external clients
- ☐ Service to internal clients
- ☐ Accountability
- ☐ Research efforts
- ☐ Revenue generation
- ☐ Other

Other:

This position supports the following HCDE Board goals:

- ☐ Impact education/respond to evolving needs
- ☐ Deliver value responsibly
- ☐ Advocate for learners through innovation
- ☐ Provide cost savings by leveraging tax dollars
- ☐ Recruit high-quality professionals

## POSITION RECLASSIFICATIONS

If you are requesting reclassification of positions, change of duty days, or position title changes, please complete and submit the Position Change Form, providing sufficient and explanatory justification for such changes. A proposed job description **should be attached** if there are any changes to the performance responsibilities.

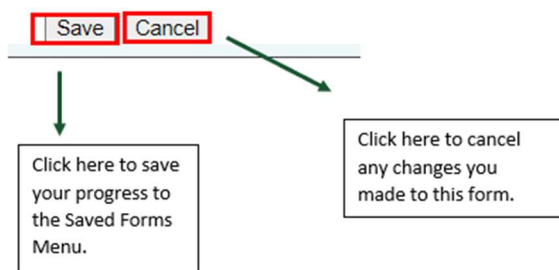
Upload files (file must be pdf format)

No file chosen

File Uploaded

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Remember to click Save at the bottom of the page.



**Please do not hesitate to contact HR should you have any questions or need additional information.**



## Form #18 – Organization Chart

Below is what you see when you click into “Form #18 – Divisional Organization Chart”:

Simply upload your Division’s Organization Chart (Organigram) as a PDF file.

### Divisional Organizational Chart Form

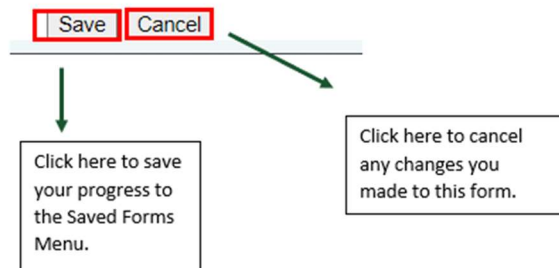
Upload files (file must be pdf format)

No file chosen

File Uploaded

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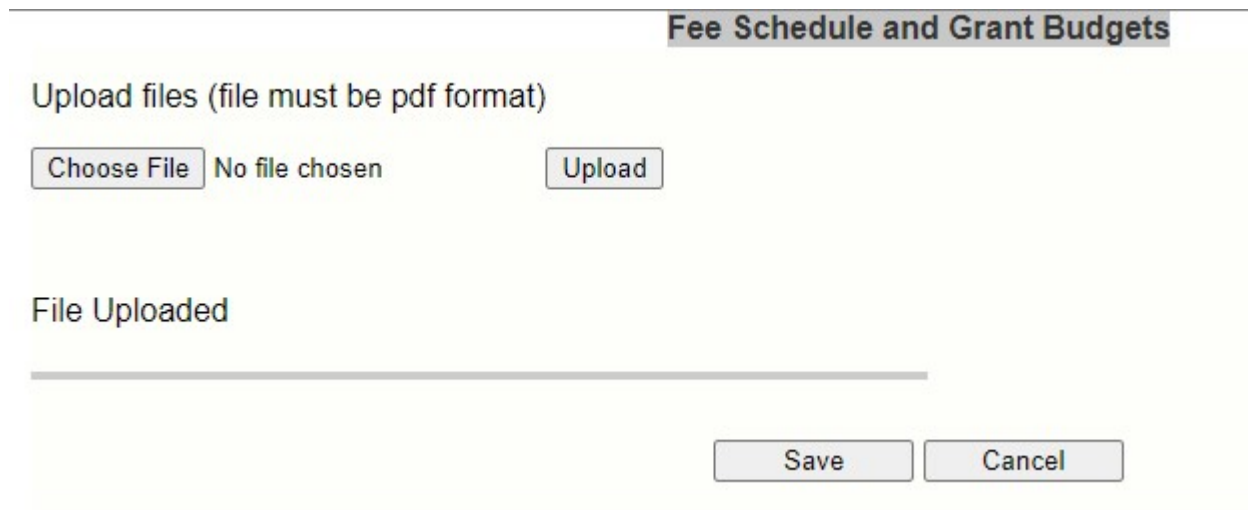
Remember to click Save at the bottom of the page.



## Form #19 – Fee Schedule and Grant Budgets

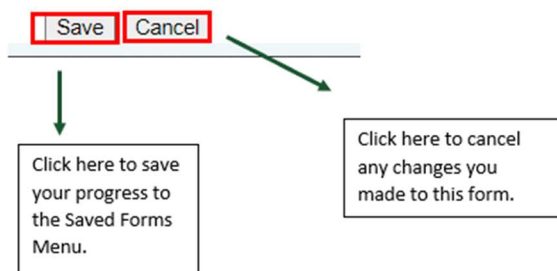
Below is what you see when you click into “Form #19 – Fee Schedule and Grant Budgets”:

Simply upload your Division’s Fee Schedules and Grant Budgets as PDF files.



The screenshot shows a web form titled "Fee Schedule and Grant Budgets". Below the title, there is a text prompt "Upload files (file must be pdf format)". Underneath this prompt, there is a "Choose File" button, the text "No file chosen", and an "Upload" button. Below these elements is a "File Uploaded" label followed by a horizontal progress bar. At the bottom right of the form area, there are two buttons: "Save" and "Cancel".

Remember to click Save at the bottom of the page.



## Form #20 – Replacement Asset Schedule

Below is what you see when you click on “Form #20 – Replacement Asset Schedule”.

The purpose of this form is to inform you of assets for your division which are at the end of their estimated useful life. Because many assets may far outlive their useful life, it is important to keep the Estimated Replacement Date updated to the best of our knowledge.

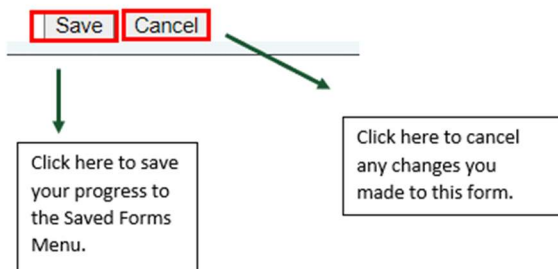
Replacement Asset Schedule

Site Location	Tag No	Description	Serial No	Initial cost	Acquisition Date	Estimated Life	Already Replaced?	Estimated Replacement Date	Future Replacement Date
701 - ADMIN BLDG ON IRVINGTON	S0426	24" FP MONITOR	VMU193202516	127.39	02-11-2020	3.00	<input type="checkbox"/>	02-11-2023	11/1/2025
701 - ADMIN BLDG ON IRVINGTON	S0427	24" FP MONITOR	VMU193202523	127.39	02-11-2020	3.00	<input checked="" type="checkbox"/>	02-11-2023	
701 - ADMIN BLDG ON IRVINGTON	S0428	24" FP MONITOR	VMU193202517	127.39	02-11-2020	3.00	<input checked="" type="checkbox"/>	02-11-2023	
701 - ADMIN BLDG ON IRVINGTON	S0429	24" FP MONITOR	VMU193202426	127.39	02-11-2020	3.00	<input checked="" type="checkbox"/>	02-11-2023	
701 - ADMIN BLDG ON IRVINGTON	S0445	HP SCANNER	CN948B6062	588.18	01-14-2020	3.00	<input type="checkbox"/>	01-14-2023	9/1/2024
701 - ADMIN BLDG ON IRVINGTON	S0763	MS SURFACE	034846300253	990.25	06-05-2020	3.00	<input type="checkbox"/>	06-05-2023	9/1/2024
701 - ADMIN BLDG ON IRVINGTON	S0887	IPAD	F9FCW3R1MDG1	489.22	08-31-2020	3.00	<input type="checkbox"/>	08-31-2023	
701 - ADMIN BLDG ON IRVINGTON	T0160	THINKPAD T490	PF1XYY8A	1,283.77	02-11-2020	3.00	<input type="checkbox"/>	02-11-2023	

In previous versions of this form, the division would make notes on paper to inform of asset updates required in the system. In our new version, you will indicate (via checkbox) whether the asset is already replaced **OR** provide a future replacement date (9/01/24 or later) if you do NOT expect to replace the item within the FY23-24 fiscal year.

For items **left blank in both fields**, the assumption is you DO expect to replace them in the next fiscal year. If you ultimately do NOT replace these items **nor** do you provide a future-year replacement date, you will have more work to do as you review and update the Fixed Asset Inventory (Form #21).

When every line is accounted for, remember to click Save at the bottom of the page.



## Form #21 – Fixed Asset Inventory Form

Below is what you see when you click on “Form #21 – Fixed Asset Inventory Form”.

FY 2022-2023 Non-Capital Fixed Asset Inventory										
Division: Fortis Academy - (Recovery School)										
Site	Tag #	Serial #	Description	Room	Issued to	Condition	Life	Replacement	Located?	
608 - FORTIS ACADEMY	999308		ACRYLIC BACKBOARD	301	J Smith	NEW	3.00	01-29-2022	Yes	
608 - FORTIS ACADEMY	14844		ELECTRIC SIT/STAND DESK	M Doe Office	M Doe	NEW	10.00	12-10-2031	Yes	
608 - FORTIS ACADEMY	999129	NONE	HighPoint North			GOOD	80.00	09-29-2077		
608 - FORTIS ACADEMY	999131	NEMM056829	AC/Heating System			NEW	5.00	12-09-2008		
608 - FORTIS ACADEMY	14854	AG0456	CHARGING CART			NEW	3.00	07-05-2025		
608 - FORTIS ACADEMY	T1145	PF3Q0E3X	THINKPAD L14			NEW	3.00	06-27-2025		
608 - FORTIS ACADEMY	T1146	PF3Q09MX	THINKPAD L14			NEW	3.00	06-27-2025		
608 - FORTIS ACADEMY	T1154	PF3KDLB9	THINKPAD L14			NEW	3.00	06-27-2025		
608 - FORTIS ACADEMY	S0764	07Y03CPMB01129W	43" SAMSUNG LED TV			NEW	3.00	03-03-2023		
608 - FORTIS ACADEMY	S0765	912INBS2V653	34" MONITOR			NEW	3.00	03-03-2023		
608 - FORTIS ACADEMY	13916	010624172553	MS SURFACE PRO 4			NEW	3.00	12-05-2020		
608 - FORTIS ACADEMY	S0017	GG7ZG3K3MF3N	IPAD			NEW	3.00	11-19-2022		
608 - FORTIS ACADEMY	S0018	GG7ZXH0MF3M	IPAD			NEW	3.00	11-19-2022		
608 - FORTIS ACADEMY	999056		RENOV'S-FORTIS			NEW	40.00	08-31-2060		
608 - FORTIS ACADEMY	999057		CHALLENGE COURSE			NEW	40.00	08-31-2060		
608 - FORTIS ACADEMY	S0639	PF2B4ABR	THINKPAD			NEW	3.00	08-21-2023		
608 - FORTIS ACADEMY	S0640	PF2B3Y0V	THINKPAD			NEW	3.00	08-21-2023		
608 - FORTIS ACADEMY	S0641	PF2B3XXH	THINKPAD			NEW	3.00	08-21-2023		
608 - FORTIS ACADEMY	S0642	PF2B43ZJ	THINKPAD			NEW	3.00	08-21-2023		
608 - FORTIS ACADEMY	T1155	PF3Q0BTY	THINKPAD L14			NEW	3.00	06-27-2025		
608 - FORTIS ACADEMY	S0910	89DM3CYN911269V	55" SAMSUNG TV			NEW	3.00	01-29-2024		
608 - FORTIS ACADEMY	S0975	MMTBDA002037010FF39	24" ACER MONITOR			NEW	3.00	01-22-2024		



We can download into Excel to work offline. Transfer the data (copy-paste) from your Excel into the portal when complete.

For each item, the questions to ask yourself:

1. “Where **should** it be located?”
  - a. Answer in fields: [Room] and [Issued to]
2. “Did I find it?”
  - a. Answer in field: “Located?” Yes/No.
  - b. If the item’s location or person of issuance has changed, answer “Yes”, then give updates in the “Located?” field.
  - c. If “No”, has it been replaced? Give updates in the “Located?” field. (Details below.)
3. “Do I need to replace it soon?”
  - a. (Answers below)

Non-Capital Fixed Asset Inventory					
Where it should be					Did you find it?
Room	Issued to	Condition	Life	Replacement	Located?
301	J Smith	NEW	3.00	01-29-2022	Yes
M Doe Office	M Doe	NEW	10.00	12-10-2031	Yes
		GOOD	80.00	09-29-2077	
		NEW	5.00	12-09-2008	
		NEW	3.00	07-05-2025	
		NEW	3.00	06-27-2025	
		NEW	3.00	06-27-2025	
		NEW	3.00	06-27-2025	
		NEW	3.00	03-03-2023	

Perhaps you did not find the item, but that is because the asset was already disposed of or replaced. Answer “No” in the Located field to state “Replaced”, “Disposed”, etc. to indicate the asset must be removed from our system. If you have dates that will be helpful, but not necessary.

Finally, you may see items listed in Inventory Form which need to be replaced reasonably soon but were not listed on the Replacement Asset Form. This would be due to their Estimated Replacement Date in our Fixed Asset system being outside the bounds of the 2024-25 Fiscal Year.

Use the “Located?” Field to add that information:

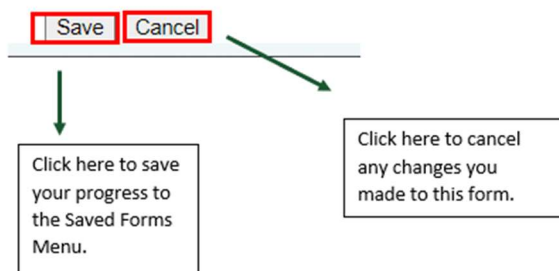
“Replacing FY25”

“Replacing FY24”

“Replacement 9/1/25” to send it to Next year’s Replacement Asset schedule.

**IMPORTANT:** If you leave the “Located?” field blank, the assumption is you did NOT find it, but the question is open whether the asset should be retired and if it was replaced/lost/stolen, etc. Not properly completing fixed asset inventory may lead inaccurate asset reporting and is a violation of our internal controls.

When every line is accounted for, remember to click Save at the bottom of the page.



## Form Submission and Approval Flow

**IN REVIEW:** You cannot submit any forms until all required forms for your division have been saved. However, your division may need to submit forms that are not required depending on your operation needs for the 2023-24 Fiscal Year. All forms, once saved, are then submitted into the approval flow as a single budget record for your division.

### My Saved Forms

Fiscal Year: 2022-2023 Division: Communications & Creative Services (Comm and Public Information)

Form Name	Form Status	Created By	Created Date	
Expenditure Work Sheet	Saved	Julia Watts	2/21/2023 5:26:46 PM	✕
Expenditure Detailed Worksheet	Saved	Julia Watts	2/21/2023 5:27:12 PM	✕
Division Needs Assessment	Saved	Julia Watts	2/21/2023 5:29:16 PM	✕
GAP Analysis	Saved	Julia Watts	2/21/2023 5:29:31 PM	✕
SWOT Analysis	Saved	Julia Watts	2/21/2023 5:40:35 PM	✕
Budget Manager Overview Form	Saved	Julia Watts	2/21/2023 5:35:26 PM	✕
Position Listing Form	Saved	Julia Watts	2/21/2023 5:37:02 PM	✕
Divisional Organization Chart	Saved	Julia Watts	2/21/2023 5:37:08 PM	✕
Replacement Asset Schedule	Saved	Julia Watts	2/21/2023 5:37:32 PM	✕
Fixed Asset Inventory	Saved	Julia Watts	2/21/2023 5:37:40 PM	✕

Submit Budget

The Submit button does not appear until all required forms are completed.

Be certain that your **optional, but necessary** forms are also completed!

### My Submitted Budgets

Fiscal Year: 2022-2023

Division	Status	Submitted Date	Assigned To	
> Communications & Creative Services (Comm and Public Information)	Submitted	2/21/2023	Danielle Clark	<div style="display: inline-block; margin-left: 10px;"> <div style="border: 1px solid gray; padding: 2px 10px;">Withdraw</div> <div style="border: 1px solid gray; padding: 2px 10px;">View as PDF</div> </div>
> Fortis Academy - (Recovery School)	Completed	1/31/2023		<div style="display: inline-block; margin-left: 10px;"> <div style="border: 1px solid gray; padding: 2px 10px; background-color: #f0f0f0;">Withdraw</div> <div style="border: 1px solid gray; padding: 2px 10px; background-color: #f0f0f0;">View as PDF</div> </div>

No new edits can be made once a budget is submitted. However, at any time following submission, but before completion of this approval flow, you may “Withdraw” the submission for continued editing and updates. Once a budget is withdrawn, the forms will return to the Saved Forms menu for updates.

**\*\*Notice above that the “Withdraw” option is removed (greyed out) on the second budget record seen above, because the status is “Completed”.**

For each level of approval, the assigned party will receive a Review Notice by email.

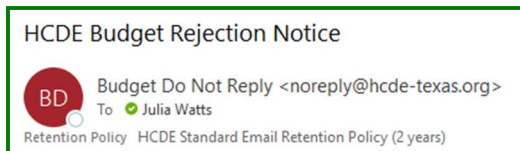
HCDE Budget Review Notice

Budget Do Not Reply <noreply@hcde-texas.org>







To: ● [Approver]

Retention Policy HCDE Standard Email Retention Policy (2 years)

If a budget needs correction, a rejection notice will be sent to the originating party with management comments listed in the body of the email.



The originating party will find their budget under My Submitted Budgets and must “Withdraw” the Budget to pull it back into the Saved Forms menu.

My Saved Forms					
Fiscal Year: 2022-2023 ▼		Division: Communications & Creative Services (Comm and Public Information) ▼			
Form Name	Form Status	Created By	Created Date		
 Expenditure Work Sheet	Saved	Julia Watts	2/21/2023 5:26:46 PM		
 Expenditure Detailed Worksheet	Saved	Julia Watts	2/21/2023 5:27:12 PM		
 Division Needs Assessment	Saved	Julia Watts	2/21/2023 5:29:16 PM		

You must use the Edit button [pencil icon] to update your form. If you click the ‘X’, the form will be DELETED and you must start a new form from the beginning.

#### Approval Flow:

For each approver level, the Budget will be found under the “Waiting Approval” Workflow Menu:



The approver may need to view the budget forms in PDF format (generation takes 20-30 seconds). PDF will generate as a single file with all attachments included. To approve the budget to the next level, simply click the Approval button.

#### Approver levels:

- 1 Division Director
- 2 Senior Division Director (if applicable)
- 3 ELT Member
- 4 Assistant Superintendent (Dr. Amezcua)
- 5 Budget Analyst (Julia Watts)

After your budget has passed all applicable approval levels, **congratulations**, you have completed your budget prep for Fiscal Year 2023-24!!



# Risk Assessment Process

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Every year, HCDE presents findings of our Risk Assessment process to our Board of Trustees. This process allows the HCDE divisions to actively assess our business risk to determine whether we are meeting the HCDE mission and objectives in an effective and efficient manner. It is an essential tool that our division managers must have system knowledge and utilize this process in their day-to-day activities.

## MID-YEAR AND END OF YEAR REVIEWS

During the budget process for the following year (March) and at each fiscal year's end (August), we take the opportunity to evaluate the last several months of operational procedures and the general health of our internal controls. Each division is required to submit a series of questionnaires:

- **The Planning Form** has general questions about your operating environment as it relates to risk.
- **Division Inventory** creates a list of all the activities your division performs which will be subject to compliance regulations.
- **The Checklist** allows HCDE to understand how much is understood about Dept policy and procedures.
- **The Self-Evaluation** explains how you perceive your divisions current state of risk and what plans are in place to address that risk.

## WHY ARE WE DOING THIS? – the Risk Management Cycle

The Factors of Risk are a natural part to any organization. Risk Management is how an organization takes a proactive approach to addressing these risk factors. It is important to understand that Risk Management is not a linear process; it is not capable of reaching a state of perfect avoidance of all risk. Rather, Risk Management requires a **regular proactive approach** to maintain internal controls which assist in the avoidance of risk.

Our semi-annual Risk Assessment begins the management cycle with **Identifying** and **Analyzing** the Factors of Risk which are apparent in our working environment. For each Risk Factor, we ask what **Actions** will be taken to mitigate the risks observed. These actions are either short-term or long-term improvements to offset that risk. In **Monitoring** these improvements to operational procedures or personnel management, an effective **Control** is then established to reduce risk.



Because risk assessment and improvement are an ongoing process, it is normal to find your division is at higher risk now than it was 6 months ago. An increase in risk is not the fault of any individual, but a combination of factors that, over time, will corrode the internal controls already in place.

#### **WHAT ARE WE LOOKING FOR? – Factors of Risk**

**Risk** is the likelihood that **a material error** will be made during day-to-day operations, which could be found during an audit. Many of our divisions are subject to many audits; if it helps to focus this assessment, frame your answers regarding the Annual Financial Audit only.

The Eight **Factors of Risk** are below. Think about how these affect your division:

1. Internal Controls
2. Personnel
3. Transactions
4. Complexity of Procedures
5. Management
6. Changes in Technology
7. Government Oversight
8. Time Since Last Review

As you move through each Factor category, ask yourself relevant questions and consider elements in your work environment. Below is not an exhaustive list, but it may help you conceptualize risk for your division:

Factor #1 - Internal Controls:

- Do you have enough time for adequate review?
- Are you performing “re-work” due to errors which should have been caught?
- Are you over-extending your budget?
- Are you “in the dark” regarding errors until long past time to fix it?

Factor #2 - Personnel:

- Is your personnel turnover high or low?
- Have you replaced a key person recently?
- Are there communication issues among your group or between your group and other groups?

Factor #3 - Transactions:

- What is your role in reducing risk within the check disbursement workflow?
- What is your process to ensure clients are charged for our services timely and in the correct amounts?
- HCDE does not handle cash.
  - If your division has any intake of cash, the Business Office needs to know!
- Loss of physical assets to theft or fraud is also transaction risk.
  - Do you have a way to locate every piece of Technology equipment, should you need to?

Factor #4 - Complexity of Procedures:

- Think about your group's daily procedures:
  - Easy & Efficient = Very Low Risk
  - Few Steps & Smooth Flow = Low Risk
  - Tedious & Tiresome = Medium to High Risk
  - Complicated & Confusing = Very High Risk

Factor #5 - Management:

- Is management familiar with procedures followed by personnel?
- Were there recent replacements in management?
- Is there open flow communication between management & personnel?
- Does management have appropriate competency to maintain oversight?

Factor #6 - Changes in Technology:

- Learning Curves are Stressful!
  - Mistakes happen.
  - Processing is Slower.
  - Increased oversight is needed when personnel may not have time to spare.
- What technology updates have your group implemented which may increase risk for error?

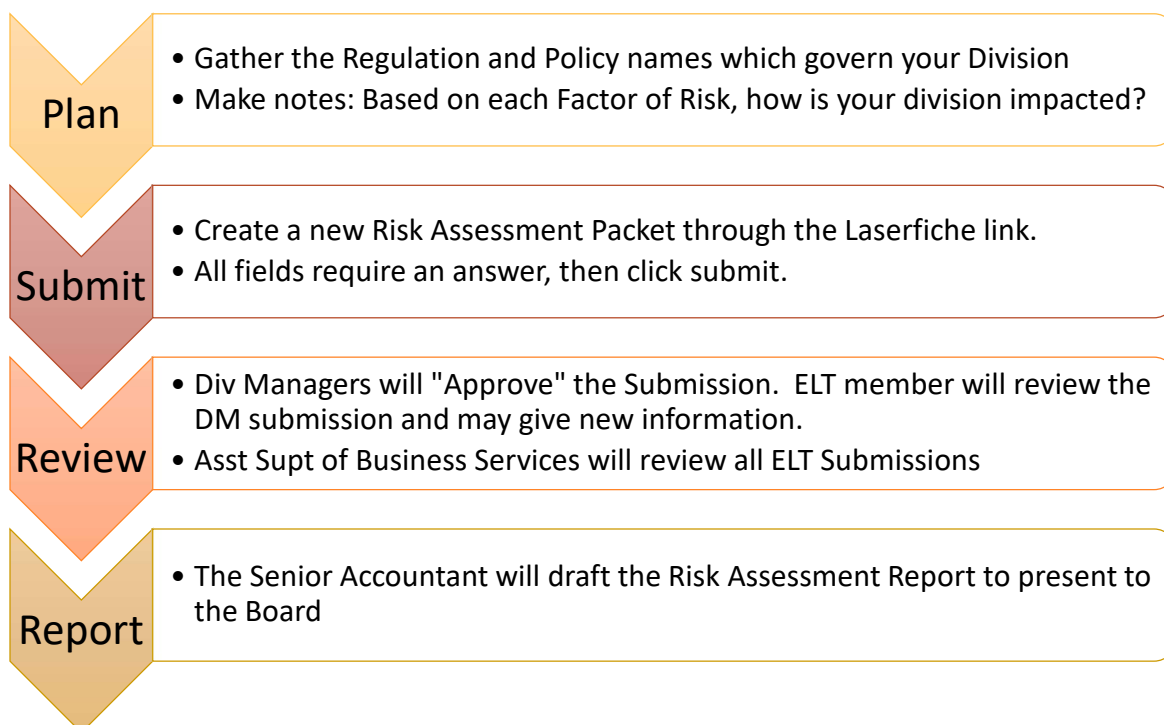
Factor #7 - Government Oversight:

- Documentation! Documentation! Documentation!
- More Regulatory Agencies looking at your group means more documentation is required.
- Risk for error increases as documentation requirements increase.
- Frequency in agency policy or legislation can leave your procedures outdated.

Factor #8 - Time Since Last Assessment:

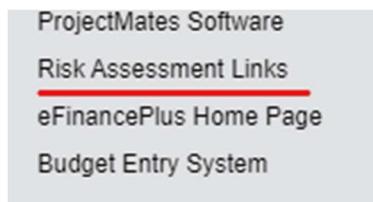
- HCDE's Risk Assessments occur in March & August.
  - Is twice a year effective in maintaining your awareness of risk for material error?
- Your risk may increase due to a lack of in-depth review.
  - If your operations are complex enough.
  - You have recent organizational changes.

## COMPLETING OUR RISK ASSESSMENT:



The Laserfiche Forms can be accessed two ways:

1. Found via the HUB, on the right-hand side, under Payroll & Finance, just above the link to eFinance Plus Home Page.
  - a. "Risk Assessment Links" opens a splash page.
  - b. Click "Create New Risk Assessment Form" to get started.
  - c. **No log in is required** when creating a new risk assessment. Only if you have saved the form and need to access it again before submission, then you must sign in to Laserfiche.

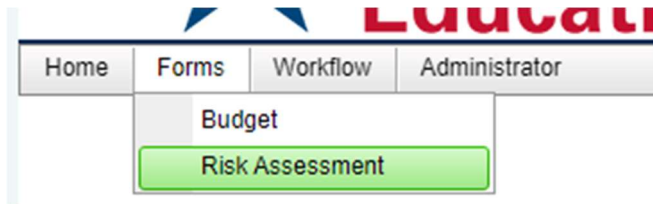


Sign-in to Laserfiche

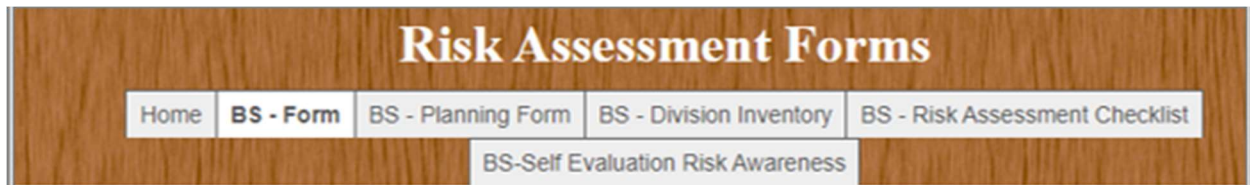


Create New Risk Assessment Form

2. Our new Budget Entry System also has a link directly to the Risk Assessment forms.



As stated above, there are several different forms to complete, and you can navigate between them using the header bar. ("BS" means Business Services, by the way)



1. **Form** – your cover page, providing information on who is completing the Risk Assessment.
2. **Planning Form** – Questions about your operations environment.
3. **Division Inventory** – List of division activities which would be subject to compliance audits. Provide general descriptions and who is responsible.
4. **Risk Assessment Checklist** – Detailed questions about your division's operations environment, including your knowledge of HCDE policy governing your division.
5. **Self Evaluation** – Provide ranking of how you perceive your division's state of risk for each of the Risk Factor categories.

## BS-FORM

This Form is for basic division contact information and works as a cover sheet for the rest of the packet.

If your division is not available to select, or if the Director's name populates incorrectly, please contact Julia Watts in Business Services.

Because this is the Mid-Year Assessment, you are to look back at the first 6 months of FY2024 and address any changes.

If you Save as Draft, you will receive an email link to your unsubmitted packet.

The screenshot shows a web application titled "Risk Assessment Forms" with a wood-grain header. A navigation bar contains links: Home, **BS - Form**, BS - Planning Form, BS - Division Inventory, and BS - Risk Assessment Checklist. Below this is a sub-header "BS-Self Evaluation Risk Awareness". The main form area includes a "Request Date:" field with the value "9/1/2023". Below this are five fields with red asterisks: "Division:" (dropdown), "Division Director:" (dropdown), "Division Director's Email:" (text), "Phone Number:" (text), and "ELT Member:" (dropdown). A "Year" field shows "2023" with a red annotation "← Auto populates for fiscal year". At the bottom left are "Previous" and "Save as draft" buttons. A red annotation "← You can save as a draft" points to the "Save as draft" button. A partial "Next" button is visible on the right.

Risk Assessment Forms				
Home	<b>BS - Form</b>	BS - Planning Form	BS - Division Inventory	BS - Risk Assessment Checklist
BS-Self Evaluation Risk Awareness				
Request Date:	9/1/2023			
Division: *	<input type="text"/>			
Division Director: *	<input type="text"/>			
Division Director's Email *	<input type="text"/>			
Phone Number: *	<input type="text"/>			
ELT Member: *	<input type="text"/>			
Year	2023 ← Auto populates for fiscal year			
<input type="button" value="Previous"/>		<input type="button" value="Next"/>		
<input type="button" value="Save as draft"/>		← You can save as a draft		



## BS-PLANNING FORM

The Planning Form has general questions about your operating environment as it relates to risk.

2 documents need to be uploaded to this page.

1. Organization Chart
2. A **list** of your division's contracts and agreements
  - a. Please DO NOT upload every contract you have. Having a **list** allows us to acknowledge you have at least a cursory awareness of your business operations.

Any Microsoft document format or .pdf will upload here.

<p>1. List the board policies that provide guidance and/or impose regulations on the division. *</p> <div></div>
<p>2. List the local, state, federal laws or regulations that affect the division. *</p> <div></div>
<p>3. Attach the division's organization chart.</p> <div><div>Upload</div><div></div></div>
<p>4. List all known transactions with related parties; e.g. component units, administrators, board of trustees, legislators, and relatives. Include name, relationship, and type of transaction. *</p> <div></div>
<p>5. Attach a list of the division's contracts or agreements.</p> <p>(Should be one document only. Please do not send us all your contracts documents.)</p> <div><div>Upload</div><div></div></div>
<p>6. If material findings have been noted in prior audits, briefly describe *</p> <div></div>
<p>7. Explain your understanding of internal controls. How was you understanding of internal controls obtained? *</p> <div></div>



## BS-DIVISION INVENTORY

Division Inventory creates a list of all the activities your division performs which will be subject to compliance regulations.

- Use “Add” to create additional rows.
- **Administrator Responsible** is the person most able to answer questions during an audit, which may or may not be the person performing the task.


### Risk Assessment Forms

[Home](#) [BS - Form](#) [BS - Planning Form](#) **[BS - Division Inventory](#)** [BS - Risk Assessment Checklist](#)

BS-Self Evaluation Risk Awareness

The purpose of this document is to assist the Department in the annual update and development of the entity-wide inventory of compliance areas. An entitywide inventory represents potential areas for assessment and is to be categorized by major divisions

	ACTIVITY AREAS DEPARTMENT/BUDGET/PROGRAM	ADMINISTRATOR RESPONSIBLE	TITLE	
Row 1	<input type="text" value="Payroll"/>	<input type="text" value="Kimberly Condit"/>	<input type="text" value="Accounting Manager"/>	×
Row 2	<input type="text" value="Financial Reporting"/>	<input type="text" value="Marcia Leiva"/>	<input type="text" value="Chief Accounting Officer"/>	×
Row 3	<input type="text" value="Publicizing Financial Data"/>	<input type="text" value="Julia Watts"/>	<input type="text" value="Senior Accountant - Oper"/>	×
Row 4	<input type="text" value="TRS Reporting"/>	<input type="text" value="Kimberly Condit"/>	<input type="text" value="Accounting Manager"/>	×

[Add](#) 

## BS-RISK ASSESSMENT CHECKLIST

The Checklist allows HCDE to understand how much is understood about Department policy and procedures.

We are not testing YOU, and this is not for a grade. The Checklist is a measure of how well **Business Services** is delivering the information you need to be well-informed managers.

If you don't know an answer, that is OK. The question may not be relevant to your division, but an answer is still required by the platform.

If you are certain that it is relevant, this is an opportunity to refresh your memory by looking up policy documents or reviewing the FOG Manual. (Hint: There are chapters on procedures and policies in this book).

Use all the resources at your disposal to populate the checklist with your best answers.

All Divisions

General Transactions:

Is your division allowed to receive cash in a transaction? \*

What is the threshold for the two signature requirement on payment checks? \*

Per policy, what is required in addition to Budget manager signature authorizing invoice payment? \*

True or False: P cards can be used to pay for contracted services. \*

A funded budget account

"OK to Pay"

Both

Don't Know

What is the best course of action if someone in your group suspects fraud? \*

Which division holds checks, cash and deposits under lock and key? \*

All Divisions monitoring contracts and receivables

Revenue Generation:

Does HCDE issue contracts that outlines the amount of revenue that HCDE will receive? \*

Is there a requirement for two signatures on receivable write offs? \*

What is the documentation requirement for inter-division receivables? \*

## BS-SELF-EVALUATION

The Self-Evaluation explains **how you perceive** your division's current state of risk and what plans are in place to address that risk.

Refer to the pages discussing the **Factors of Risk** to help you with this evaluation.

Each Factor Category offers you a drop-down menu with the ranking descriptions:

- Low
- Low-Medium
- Medium
- Medium-High
- High

Also each category asks **why** are you giving your division this ranking. Please explain your concerns or the reasons for your lack of concern on this topic. Also offer your plans going forward to improve (or maintain) the ranking you selected.

While low risk is "good" and high risk is "bad", the best overall is an honest assessment.

RISK RATINGS	
Low	1
Low-Medium	2
Medium	3
Medium-High	4
High	5

[Training Document](#)

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Division Director Self Evaluation Section:

Quality of Internal Controls Ranking: \*

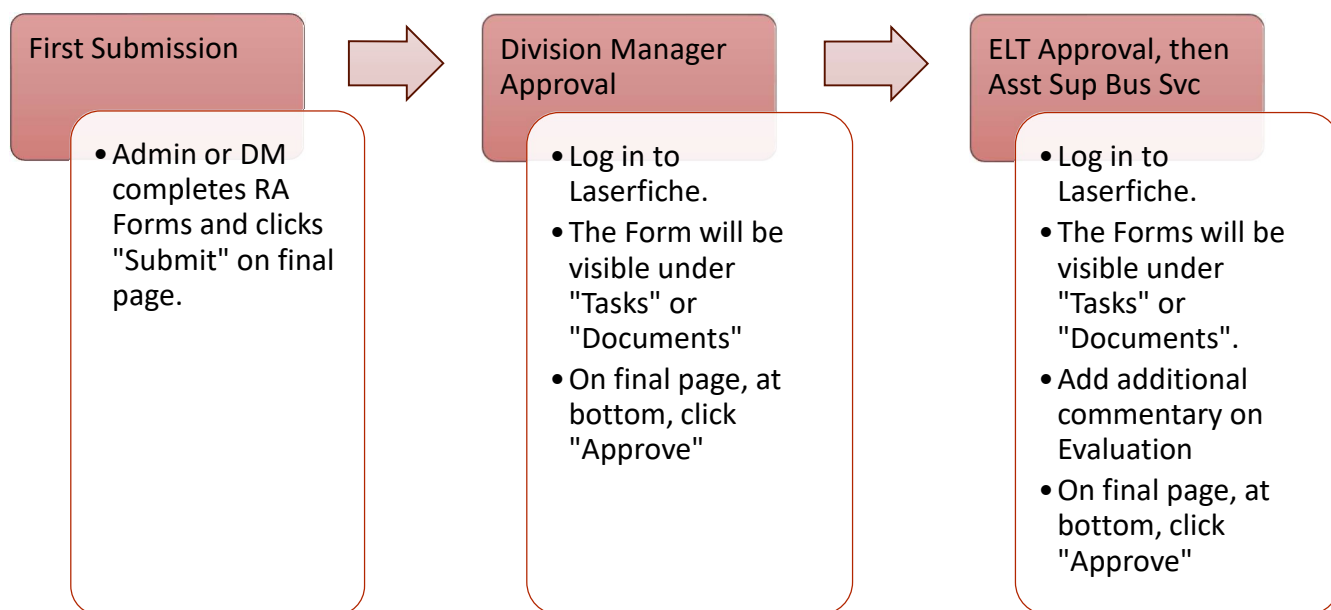
Why did you give your division this ranking? \*

What are you doing about it? \*

Low  
Low-Medium  
Medium  
Medium-High  
High

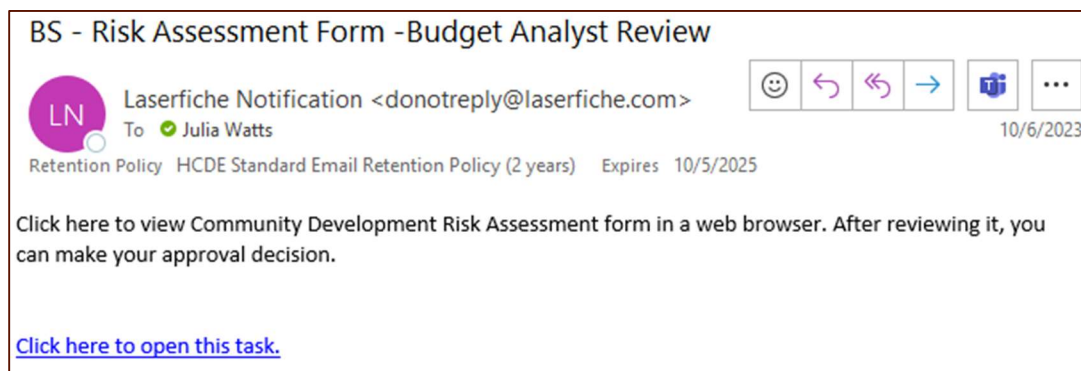
## APPROVAL FLOW

The Laserfiche approval flow is designed with the expectation that the Division Manager might not be the person entering the answers into the forms. We assume that if an assistant is populating the forms on behalf of a manager, then the answers were discussed with the manager and/or drafted in advance. Ultimately, the submission is the voice of the Division Manager relaying information to their Executive Leadership Team Member, the Assistant Superintendent of Business Services, and the Board.



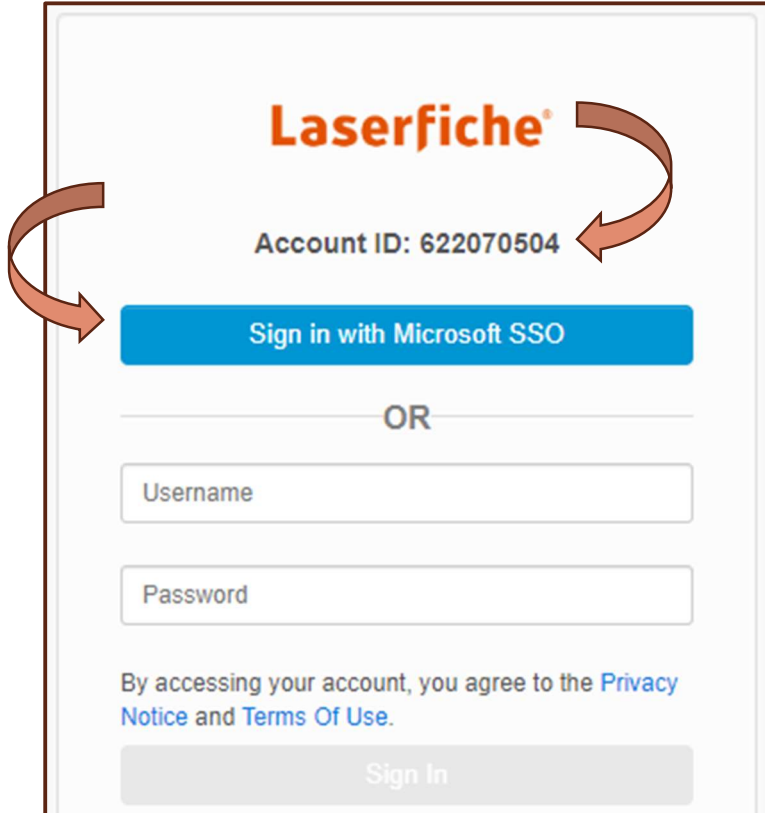
At each level of approval, the reviewer will **receive an email** with a link allowing them to access the submission and add their own response, if required, on the Evaluation Form.

- From: Laserfiche Notification
- Subj: BS - Risk Assessment Form



The link will first send you to the login page.

1. Enter Account ID (if not already populated)
  - a. 622070504 is our Account ID
2. Click the **Blue Button**



The screenshot shows the Laserfiche login interface. At the top, the 'Laserfiche' logo is displayed in orange. Below it, the text 'Account ID: 622070504' is shown. A blue button labeled 'Sign in with Microsoft SSO' is highlighted with a curved orange arrow pointing to it from the left. Below this button is a horizontal line with the word 'OR' centered. Underneath are two input fields: 'Username' and 'Password'. At the bottom, there is a line of text: 'By accessing your account, you agree to the [Privacy Notice](#) and [Terms Of Use](#).' Below this is a grey 'Sign In' button. A second curved orange arrow points from the 'Account ID' text down to the 'Sign in with Microsoft SSO' button.

If this method of log-in does not work for you, you will receive an error such as “Access Denied” or “Credentials are Invalid”, etc. Please send a screenshot of the error message to the Help Desk and they will re-establish your Laserfiche access.





## Review & Coordination





**HARRIS COUNTY DEPARTMENT OF EDUCATION**  
**Business Services Division Contact List**

**BUSINESS OFFICE – 1<sup>ST</sup> Floor – 6300 IRVINGTON**

**FAX Number: 713-696-0740**

As of 2/1/2024

<b>Jesus J. Amezcua, Ph.D., CPA, RTSBA, CPFIM - Assistant Superintendent for Business Services</b>		
<b>Phone 713-696-1371</b>		
• Business Office, Purchasing	• Financial Analysis & Board Agenda	• School Finance Council
<b>Katina Cary, Executive Assistant</b>		
<b>Phone 713-696- 8249</b>		
• Board Agenda/SFC Support		• Forms Publications Support

<b>Marcia Leiva, Chief Accounting Officer</b>			
<b>Phone 713-696-8251</b>			
• Manages Business Services Division	• Financial and Budget Analysis	• Debt & AR Management	
<b>Julia Watts, Senior Accountant – Operations</b>			
<b>Phone 713-696- 1344</b>			
• General Fund	• Budget Process, Training, & Books	• Risk Assessment	
• Monthly & Quarterly Financial Reporting		• Tax Rate Analysis	
<b>[Vacancy] Senior Accountant</b>	<b>Ext 8250</b>	<b>Stacy Kemper, Staff Accountant</b>	<b>Ext 1343</b>
		• Head Start	
<b>Anai Rodriguez, Staff Accountant II</b>	<b>Ext 3131</b>	<b>Lynette Adams, Staff Accountant II</b>	<b>Ext 1745</b>
• Cash Reconciliations		• Investment Reconciliations, Journal Entries	
• PFC Accounting & Reporting		• P-Card Reporting	
• CASE		• Adult Ed Grants	
• Education Foundation		• Facilities Fund & Choice Partners	
		• AFMR & PAFR	
<b>Liseth Gonzalez, Sr. Accounting Clerk</b>	<b>Ext 1020</b>	<b>Michelle Gomez, A/R Specialist</b>	<b>Ext 8248</b>
• Customer Invoicing		• Accounts Receivable	
• Interdivision-Billing: Cost Re-Assignment		• Customer Invoicing	
		• WMS Payments	
		• Cash Receipts Posting	

## HARRIS COUNTY DEPARTMENT OF EDUCATION

### Business Services Division Contact List Continued

As of 2/1/2024

<b>Kimberly Condit, Accounting Manager</b> <b>Phone 713-696-8240</b>			
• Payroll	• Accounts Payable	• TRS Reporting	
<b>Katina Washington, Payroll Specialist</b> <b>Ext 8289</b>	<b>Deanna Garcia, Lead Payroll Specialist</b> <b>Ext 1747</b>		
<ul style="list-style-type: none"> <li>• Payroll Processing</li> <li>• Time Reports</li> </ul>	<ul style="list-style-type: none"> <li>• Payroll Processing</li> <li>• Time Reports</li> </ul>		
<b>Brandy Bullock, Senior A/P Specialist</b> <b>Ext 8245</b>	<b>Desirae DeLeon, A/P Specialist</b> <b>Ext 8244</b>		
<ul style="list-style-type: none"> <li>• Building Leases/Building Rentals</li> <li>• Headstart</li> <li>• TMS &amp; Utilities for Head Start</li> </ul>	<ul style="list-style-type: none"> <li>• General Fund Divisions</li> <li>• CASE</li> <li>• Choice Partners</li> <li>• TMS For CP, CASE &amp; GF Divisions</li> </ul>		
<b>Ana Munoz, A/P Specialist</b> <b>Ext 1352</b>	<b>Priscilla Hines, Payroll Specialist</b> <b>Ext 1370</b>		
<ul style="list-style-type: none"> <li>• Facilities, Adult Education, PFC</li> <li>• TMS for Facilities &amp; Adult Education</li> <li>• All Utilities (except Headstart)</li> <li>• All Travel Reimbursements</li> </ul>	<ul style="list-style-type: none"> <li>• TRS Reporting</li> </ul>		

### PROCUREMENT – 2nd Floor – 6300 IRVINGTON

#### FAX NUMBER: 713-696-0732

<b>Dr. Edna Johnson - Procurement Director</b> <b>Phone 713-696-2104</b>			
• Board of Trustees	• Education Foundation	• Human Resources	• Superintendent
<b>Yaritza Roman, Procurement Manager</b> • Choice Partners • Grants • Records Management	<b>Ext 8212</b>	<b>Tameisha C. Davenport, Contract Manager</b> • Adult Education • Center for Educator Success • Client Engagement/Marketing • Communications	<b>Ext 1744</b> • Head Start • Research & Evaluation • School-Based Therapy Services
<b>Inga Ash, Procurement Coordinator</b> • CASE • CSSS • Special Schools • Technology Services	<b>Ext 2112</b>	<b>Deisy Rubio, Buyer</b> • Business Services • Facilities • Maintenance	<b>Ext 8242</b>
<b>Charisma Tolbert, Procurement Specialist</b> • Change Orders • Requisitions (General Funds) • Vendor Packets	<b>Ext 1760</b>	<b>Lili Maldonado, Procurement Card Specialist</b> • P-Card reports (Due by 11 <sup>th</sup> each month)	<b>Ext 1306</b>
<b>Emmanuel Mensah, Contract Specialist</b> • Contracts training • Requisitions (Federal Funds)			



Adoption



## **HCDE BUDGET PLANNING WORKBOOK**

### **Budget Adoption Information**

#### **GOAL-TO PRESENT THE PROPOSED BUDGET FOR ADOPTION AT THE JULY 2024 BOARD MEETING**

At the December 13, 2023, Board Meeting, the budget calendar was adopted. The projected tentative adoption of the FY 2024-25 Budget is July 17, 2024.

Budgeting is a year-round activity, and the proposed budget forecast revenues and expenditures for the following year. During the year, the budget is amended as necessary and reflected in the amended budget column in the budget reports.

Budgeting, implementation, and project performance are the responsibilities of the budget managers. The budget is a managerial tool. Planning is the key to successful budgeting.

Once the Planning, Preparation & Submission, and Review & Coordination phases of the budget process have been completed, the HCDE budget is proposed for adoption.

Administration presents an official budget to the Board of Trustees annually at the June and/or the July board meetings for approval for the succeeding fiscal year beginning September 1. The operating budget includes proposed expenditures and the means of financing them (estimated revenues). The budget is representing the relation to Department and Division goals, and highlights of the budget are discussed in the Executive Budget Summary report in the Budget Book. Final budget allocations are formally approved by the Board, which subsequently establishes a tax rate sufficient to support the approved budget.

Throughout the fiscal year, the budget is amended due to changes in program needs or identification of new programs, revenues and-or expenditures. Budget amendments are presented as necessary on the monthly meeting of the Board of Trustees.

All General Fund budget appropriations lapse at fiscal year end, August 31.

#### **BUDGET RESPONSIBILITY**

Budget managers are responsible for the accuracy and reasonableness of their estimates, for amending their budget in advance of incurring expenditures, amending their budgets as circumstances and program needs change, and for the results of their budget.

Budgets are controlled by the budget manager and expenditures may not legally exceed appropriations.



## **HCDE BUDGET PLANNING WORKBOOK**

### **Tax Rate Adoption Information**

#### **TARGET DATES:**

- (1) TO PRESENT THE PROPOSED BUDGET FOR ADOPTION  
AT THE JULY 2024 BOARD MEETING**
- (2) THE TAX VALUES FROM THE APPRAISAL DISTRICT ARE RECEIVED IN  
AUGUST 2024**
- (3) THE TAX RATE IS PROPOSED TO BE ADOPTED IN SEPTEMBER 2024**

The budget document includes various assumptions for revenue and expenditures. One of the major assumptions is the level of tax values to be projected and the taxing rate for the tax year. The appraisal values are expected to be received in August 2024, and this information is used to develop scenarios and options to present to the board of trustees. At the August Meeting, the Board must vote on a tax rate proposal that will determine if public hearings are required and when the tax rate must be adopted. It should be noted that the Harris County Department of Education has a maintenance and operations maximum rate of \$.01, and it does not have a debt service tax rate. Thus, the total tax rate is only the maintenance tax rate. The tax rate for tax year 2023 is \$.004800.

The tax rate is proposed to be adopted in September 2024.

Once the tax rate is adopted, the board adopts a resolution which is sent to the Harris County Tax Office for tax statements to be prepared and sent. The tax levy is then recorded, and collections begin in October through January 31<sup>st</sup>. On February 1, taxes become delinquent, and additional penalties and interest are assessed. The collections continue through the fiscal year to collect pending tax receivables for the current year and previous tax years. The projected tax collection rate has been between 98% and 99% of the levy each year.

#### **TAX COLLECTION RESPONSIBILITY**

The Harris County Tax Office is contracted to collect the tax levy on behalf of Harris County Department of Education. The annual cost of collection is provided by the Harris County Tax Office each year.



Implementation





## IMPLEMENTATION PHASE

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Implementation, the second phase of the Budget Development Process, is the process of allocating resources to the prioritized needs of the department in support of its planned mission, goals, and objectives. Although budget formats and policies are by no means uniform in the public arena, formal budgets play a far more important role in the planning, control and evaluation of public entities than in those of privately owned organizations. In educational settings, the adoption of a budget implies that a set of decisions have been made by school board members and administrators which culminate in matching resources with its needs. As such, the budget is a product of the planning process.

The budget also provides an important tool for the control and evaluation of sources and uses of resources. With the assistance of the accounting system, directors are able to execute and control the activities that have been authorized by the budget and evaluate performance based upon comparisons between budgeted and actual operations.

The link between planning and budget preparation in educational entities gives budgets a unique role in these organizations. Budgets in the public arena are often considered the ultimate policy document since they are the financial plan used to achieve its goals and objectives reflecting:

- Public choices about what goods and services will and will not be produced.
- The department's priorities among the wide range of activities in which they are involved.
- How a public entity has acquired and used its resources.

The budget, itself, then becomes intrinsically a political document reflecting administrators' accountability for fiduciary responsibility to citizens. The annual operating budget or financial plan is proposed by the Superintendent and enacted by the Board of Trustees after public discussion.

### ***Authorized Expenditures***

The adopted budget provides authority to expend funds for the purposes indicated and in accordance with state law, Board policy, and HCDE's approved purchasing procedures. The expenditure of funds shall be under the direction of the Superintendent, Assistant Superintendent - Business Services, or appropriate designee who shall ensure that funds are expended in accordance with the adopted budget.

### ***Budget Amendments***

The budget shall be amended when a change in expenditures is made between or among divisions or increasing / decreasing revenue object accounts and other resources.

### **Budget Amendments / Transfers**

Budget amendments / transfers must be aligned with modifications to division plans. Every time that a significant change is made to a budget, the change must be reflected in their division plan. In the processing of the budget amendment, the division must include required documentation. Budget amendments will not be approved if the required documentation is not included with the amendment form. Budget transfers are approved online and require budget manager approval. Budget transfers over \$25,000 require Assistant Superintendent for Business' approval

### **Budget Transfers & Amendments Signature Authority**

Administration is authorized to move funds between line items. The budget shall be amended when a change in expenditures is made between or among divisions increasing/decreasing revenue object accounts and other resources. The Board delegates to the Superintendent or the Superintendent's designee the authority to approve budget amendments of less than \$200,000 and that do not result in a change to fund balance. Budget amendments of \$200,000 or more or that result in a change to fund balance shall require Board approval.

For Special Revenue Funds, intra-function budget transfers are subject to the approval by the granting agency. The Superintendent is authorized to apply for grants, approve commitment of district funds for matching, cost sharing, cooperative or jointly funded projects up to the amounts specifically allowed under the district budget approved by the board and approve grant and award amendments as necessary, and approve grant budgets and amendments as necessary.

### **Budget Requirements**

The official budget is prepared for all funds. The General Fund and Debt Service Fund are mandated to be an annual budget. HCDE utilizes budgets in the other funds to facilitate monitoring by budget managers and for control purposes.

Amendments are presented to the Board of Trustees at its regular meetings. Such amendments are made prior to expenditures, are reflected in the official minutes of the Board, and are not made after fiscal year end as required by law. Increases and decreases to accounts (individual line items) within a budget may be made without Board approval.

Each budget is controlled by the budget manager at the revenue and expenditure class-object level. General Fund budget appropriations lapse at fiscal year-end, August 31. During the fiscal year, the budget was amended as necessary.

Encumbrances for goods or purchased services are documented by purchase orders or contracts. Under Texas law, appropriations lapse at August 31, and encumbrances outstanding at that time are to be either canceled or appropriately provided for in the subsequent year's budget.

### **Budget Responsibilities**

The development of division and Department annual budgets should be part of the ongoing budget process. The budget preparation process and guidelines are established through interaction between the board budget committee, the superintendent, and the Department budget committee. The following individuals and groups are involved in budget development:

1. Division Level
  - a. Division / Budget Directors
2. Department Level: HCDE Budget Committee
  - a. Superintendent
  - b. Assistant Superintendent Business
  - c. Chief Accounting Officer
  - d. Budget Analyst/Senior Accountant
  - e. Assistant Superintendents
  - f. Executive Director of Human Resources
  - g. Executive Director of Facilities
  - h. Chief Information Officer
3. Board Level:
  - a. Board Budget Committee
  - b. Board of Trustees

### **Annual Budget Responsibilities and Guidelines**


HCDE is organized as a department with multiple divisions which report to the various Executive Team members. The Executive Team is composed of the following individuals: Superintendent, Assistant Superintendents, Chief Information Officer, Executive Director for Human Resources, Executive Director for Facilities, Chief of Staff, and Chief Information Officer.

The levels of responsibility include:

Division: Includes division managers who have fiscal oversight over their individual budgets.  
Department: Includes the executive team members who have oversight of divisions within their responsibility.

The following table shows the interaction necessary between individuals and groups at different levels of the Department to produce the annual budget:

<b>PARTICIPANTS</b>	<b>ROLES &amp; RESPONSIBILITIES</b>	<b>LEVEL</b>
<b>Division / Budget Directors</b>	✓ Coordinates preparation of division level program budgets, performance measures and objectives	Division
<b>HCDE Budget Committee</b>	✓ Reviews for appropriateness division-level budgets and reviews/prioritizes allocated requests submitted by division directors ✓ Discusses budget recommendations for superintendent review	Division
<b>Superintendent</b>	✓ Communicates budget process guidelines to division / budget directors and HCDE budget committee ✓ Serves as lead member of HCDE Budget Committee to review division budget requests and to analyze budget components	Department
<b>Assistant Superintendent for Business</b>	✓ Serves as chair of HCDE Budget Committee ✓ Serves as Department Budget Officer ✓ Communicates budget calendar ✓ Reviews fund balance estimates ✓ Conducts final review of proposed budget to Board Budget Committee	Department
<b>Chief Accounting Officer</b>	✓ Reviews proposed budget drafts prior to the superintendent and HCDE Budget Committee review	Department
<b>Budget Analyst/Senior Accountant</b>	✓ Provides requested forecasts and analyses to Assistant Superintendent for Business, HCDE Budget Committee, and Superintendent ✓ Compiles division budgets into proposed Department budget ✓ Communicates any revisions to appropriate divisions ✓ Develops and communicates budget calendar ✓ Develops division revenue estimates ✓ Develops fund balance estimates ✓ Updates proposed budget drafts prior to superintendent and HCDE Budget Committee review	Department
<b>Assistant Superintendents</b>	✓ Serves as member of HCDE Budget Committee ✓ Reviews and approves all division budgets under their immediate supervision prior to submission to Assistant Superintendent for Business	Department
<b>Executive Director of Human Resources</b>	✓ Compiles and reviews personnel staffing needs submitted by budget directors and any necessary revisions ✓ Serves as member of HCDE Budget Committee to ascertain personnel use changes and requirements	Division Department
<b>Executive Director of Facilities</b>	✓ Develops schedules of facilities and vehicle maintenance for budget planning ✓ Serves as member of HCDE Budget Committee to ascertain facility support responsibilities	Division Department
<b>Chief Information Officer</b>	✓ Serves as member of HCDE Budget Committee to ascertain technology support responsibilities	Department
<b>Board Budget Committee</b>	✓ Reviews / prioritizes / revises proposed budget submitted by Superintendent and Assistant Superintendent for Business ✓ Recommends a final version of the proposed budget for adoption by the full Board of Trustees	Board
<b>Board of Trustees</b>	✓ Conducts public hearings for budget presentation ✓ Adopts official budget and tax rate	Board

	<b>ACCOUNTING PROCEDURES</b>  HARRIS COUNTY DEPARTMENT OF EDUCATION	Reference:  DEC (LOCAL)
	DATE DEVELOPED: 07/13/15                      REVISED DATE: 02/01/2024	
SUBJECT: Time and effort guidelines		

### **Purpose**

To provide guidelines for the completion of time and effort (T&E) forms and required reconciliation of actual hours worked for split funded personnel.

### **Procedure**

The grant manager is responsible for determining which staff member salary, if any, will be charged to different funding sources. The grant manager will provide Human Resources (HR) and the Business Services (BS) department the employee's name, the percentages to be used and the funding sources. These employees must keep track of the hours worked for each of the funding sources using the time and effort excel form (see sample below) daily. This form is located on the Portal under Business Services forms.

HARRIS COUNTY DEPARTMENT OF ED			
PERIOD ACTIVITY REPORT (T &			
SPLIT FEDERALLY FUNDED PERSC			
Name		Month	
<b>Directions:</b>			
1. Enter Funding Source and Percentage			
2. Place X by weekend dates.			
3. Enter hours worked per day for each funding source at			
4. Sign and submit to supervisor			
Funding Source	Fund 266	Fund 288	
Percentage	90%	10%	
1	7	1	
2	5	3	
3	X	X	
4	X	X	
5	6.5	1.5	
6	7	1	
7	6.5	1.5	
8			
9			
10			
11			
12			
13			
14			
15			
16			
17			
18			
19			
20			
21			
22			
23			

At the end of each pay period, the employee will sign and submit the T&E form to the immediate supervisor for review and approval. The immediate supervisor will compare the actual hours worked to the estimated salary distribution submitted to Human Resources department (see reconciliation form below). If the difference is 10% or greater, (or less if indicated in the grant policies), the immediate supervisor will contact the HR and the staff accountant for salary redistribution to match the actual percentage of hours worked. This form is in the portal under business services forms.

TIME AND EFFORT FOR SPLIT FEDERALLY FUNDED PERS RECONCILIATION			
Name		Month	
Position		Department	
Monthly Salary:	\$	4,000.00	
Account Distribution:		2665-21-922-99-922 6119	
		2885-21-922-99-922 6119	
Budget/Payroll Distribution Expenditures:			
Funding Source	266	288	
Percentage	90%	10%	
Monthly Salary	\$ 3,600.00	\$ 400.00	
Time & Effort Actual Hours Worked:			
Funding Source	266	288	

The budget manager will receive a staff salary distribution report (see sample report below) on a pay period basis for review and approval. If no corrections are needed, the budget manager must sign and return the executed document to the staff accountant for filing and supporting documentation. The grant manager must retain a copy for the permanent file. If corrections are needed, the procedure above must be followed.

07/07/15

**Harris County Department of Education**  
Distribution

Employee Name	EIN	Division	Pay Gr	Job Title
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The review of the salary distribution on a pay period basis by the grant manager will insure that only allowable, allocable and eligible expenses are posted to the grant.



## HCDE BUDGET PLANNING WORKBOOK

### Purchase of Capital Assets Budgeted for the Current Year

The purchases of capital assets are approved during the budget process. Specifically, if these assets increase the overall expenditure value for the Division. After the budget is adopted, the budget managers should plan for the purchase by coordinating with the Procurement Division.

The timing of the purchases will be provided by the Business Office to make sure that the capital items are purchased when they are needed.

Budgets will be reviewed mid-year. If the approval to purchase was given and no items were purchased at each quarterly meeting, the division will be requested to provide justification for the delay and-or redirect the funds for other purchases.

It should be noted that any capital asset of **\$5,000 per unit** or above must be tagged and reported in the fixed assets. These purchases are coded to objects 66\*\*.

Since it is typical for a division to use their general annual budget for replacement or new purchase of smaller assets, a detailed explanation is provided below. Unusual scenarios **will occur** when the differences in these accounts are only due to the purchase price.

All taggable and tracked assets: Capital vs Non-Capital

All purchases of equipment, technology, furniture, or other Items, of **\$1,000 per unit to \$4,999 per unit** are tagged and tracked as non-capital assets.

New purchases are coded to object 6393\*

If items are to replace an existing asset, they are coded to Object 6394\*

Tagged assets with a lower price point: Non-Capital vs Sensitive Items

Technology items – even the same item, purchased at different times, often fall just above and/or just below the \$1000 threshold for Non-Capital assets. It is important to know when a budget transfer is necessary for your purchase.

If your purchase of the below type items (inclusive of set-up cost such as “Autopilot”) **costs between \$250 and \$999**, then you are purchasing a Sensitive Item. Sensitive Items are coded to account **63990006** and are also tagged in accordance with the fixed assets policy:

Computers | Laptops | Tablets/iPads | Projectors  
Printers (\$500-\$999) | Scanners (\$500-\$999) | Monitors (\$250-\$999)

Based on the above, you might purchase tablets that cost \$300 each and those are Sensitive Items, but also purchase a printer for \$450, which is General Supplies.



Monitoring





## **HCDE BUDGET PLANNING WORKBOOK**

### **Review Budget Reports Monthly**

Budget managers are primarily responsible for ensuring that their budget expenditures do not exceed the budgeted amounts.

Budget Managers have access to budget reports on the efinance financial system, and can run the following reports from their computer:

- Detail Revenue Status Report
- Detail Expenditure Status Report
- Revenue Audit Trail Report
- Expenditure Audit Trail Report

The status reports are line-item total reports, and the audit trail reports are line-item detail reports. Business Services closes the monthly books on the second working day of the following month.

It is recommended that budget managers run their Budget reports monthly. The eFinance system is a real time system, and information is updated daily. Therefore, reports may also be run any time you want to see the status of your budget.

After running your monthly reports, use the following review process:

- 1) Check if there are any 'over budget' accounts. An account may be 'over budget' if the total of expenditures plus encumbrances is greater than the budgeted amount any time during the fiscal year. Refer to payroll and expenditures account examples on the following pages.
- 2) Review all transactions to ensure that they are correctly coded.
- 3) If a transaction is coded incorrectly, make a copy of the report page, highlight the transaction, and write the correct account number right on the report page near the transaction. Send to staff accountant for correction.
- 4) If a budget adjustment is necessary, complete the Budget Amendment or the Budget Transfer Request form using the instructions in this workbook (EVALUTION SECTION), obtain the required signatures, and send to Business Office for processing.

The biggest challenge of monitoring a budget is knowing when specific expenditures should appear in the budget and what to do if they do not appear (Was the requisition miscoded? Has the invoice been processed yet?). Business Services Division is here to answer any questions or assist in resolving any budget problems.

## HCDE BUDGET PLANNING WORKBOOK

### Budget Analysis Example – Payroll Account

**GIVEN: Sample line item from the EXPENDITURE STATUS REPORT at January 31. (The DETAIL EXPENDITURE STATUS REPORT does not show the 'percent' column.)**

#### Correct Budget Example

Refer to the MONTHLY PERCENTAGE TABLE below and you see that the percent at January 31 is **42%** and it agrees with the STATUS REPORT amount of **41.41**. It appears this account is OK so far.

ACCOUNT	TITLE	BUDGET	PERIOD EXPEND	ENCUMB OUTSTAND	Y T D EXPEND	AVAILABLE BALANCE	YTD/ BUD
61190000	SALARY- PROF STAFF	48,403.00	2,029.22	0.00	20,059.44	28,343.56	<b>41.41</b>

#### Over-Budget Example

Refer to the MONTHLY PERCENTAGE TABLE below and you see that the percent at January 31 is **42%** and it does NOT agree with the STATUS REPORT amount of **61.9**. It appears that this account is going to be significantly over-spent by the end of the year if the rate of payroll costs charged to this budget stays the same over the year. There is possibly the need to amend the budget.

ACCOUNT	TITLE	BUDGET	PERIOD EXPEND	ENCUMB OUTSTAND	Y T D EXPEND	AVAILABLE BALANCE	YTD/ BUD
61190000	WAGES- SUPPORT STAFF	28,416.00	859.66	0.00	17,602.35	10,813.65	<b>61.9</b>

Some things you can do include checking your proposed budget submission to make sure the correct staffs are charged to this account, checking account detail to make sure the correct staff are charged to the correct code, and call Julia Watts for assistance.

MONTHLY PERCENTAGE TABLE			
MONTH & PENTAMATION SYSTEM PERIOD			PERCENT
September	Period 1		8%
October	Period 2		17%
November	Period 3		25%
December	Period 4		33%
<b>January</b>	<b>Period 5</b>		<b>42%</b>
February	Period 6		50%
March	Period 7		58%
April	Period 8		67%
May	Period 9		75%
June	Period 10		83%
July	Period 11		92%
August	Period 12		100%

SUNGARD PENTAMATION  
DATE: 01/24/2024  
TIME: 12:45:47

HARRIS COUNTY DEPARTMENT OF EDUCATION  
EXPENDITURE AUDIT TRAIL

PAGE NUMBER: 3  
AUDIT21

SELECTION CRITERIA: expldgr.account='64210000'  
ACCOUNTING PERIODS: 1/24 THRU 5/24

**SAMPLE AUDIT TRAIL WITH A MISPLACED TRANSACTION.  
(WRONG BUDGET MANAGER CODE). RESULTING IN OVERAGE ON  
THE ACCOUNT.  
RECLASSIFICATION AUTHORIZATION FORM REQUIRED.**

SORTED BY: FUND,BUDGET MANAGER,FUNCTION,ACCOUNT

TOTALED ON: FUND,BUDGET MANAGER,FUNCTION

PAGE BREAKS ON: FUND,BUDGET MANAGER

FUND - 1994 - GENERAL FUND  
BUDGET CODE - 19944195099950 -

ACCOUNT DATE	T/C	PURCHASE O	REFERENCE	VENDOR	BUDGET	EXPENDITURES	ENCUMBRANCES	DESCRIPTION	CUMULATIVE BALANCE
1994-41-950-99-950-19934195099950 -									
64210000									
08/31/22	11-1				15,000.00	.00	.00	BEGINNING BALANCE	
09/09/22	17-1	P2300005-01		32350 HOUSTON CHRONICL				POSTED FROM BUDGET SYSTEM	
11/04/22	21-3	P2300005-01	1523095	32350 HOUSTON CHRONICL		311.90	15,000.00	ADVERTISING OF RFP'S FOR	
11/16/22	21-3	P2300005-01	1523205	32350 HOUSTON CHRONICL		361.20	-311.90	ADVERTISING OF RFP'S FOR	
01/09/23	21-5		1523782	32352 HEARST NEWSPAPER		4,775.00	-361.20	ADVERTISING OF RFP'S FOR	
							.00	PA2023-0170	
TOTAL		PUBLIC NOTICE			15,000.00	5,448.10	14,326.90		-4,775.00
TOTAL FUNCTION - GENERAL ADMINISTRATION					15,000.00	5,448.10	14,326.90		-4,775.00
TOTAL BUDGET MANAGER - PURCHASING SUPPORT S					15,000.00	5,448.10	14,326.90		-4,775.00
TOTAL FUND - GENERAL FUND					21,000.00	5,448.10	14,550.45		1,001.45
TOTAL REPORT					21,000.00	5,448.10	14,550.45		1,001.45

\* THERE IS A NOTE ASSOCIATED WITH THIS TRANSACTION



SUNGARD PENTAMATION  
DATE: 01/26/2024  
TIME: 14:03:17

HARRIS COUNTY DEPARTMENT OF EDUCATION  
DETAIL EXPENDITURE STATUS REPORT

PAGE NUMBER: 1  
EXPSTA11

SELECTION CRITERIA: orgn.orgn2='330' and orgn.orgn4='301'  
ACCOUNTING PERIOD: 5/24

SAMPLE STATUS REPORT WITH AN ACCOUNT OVERAGE.  
BUDGET TRANSFER REQUIRED

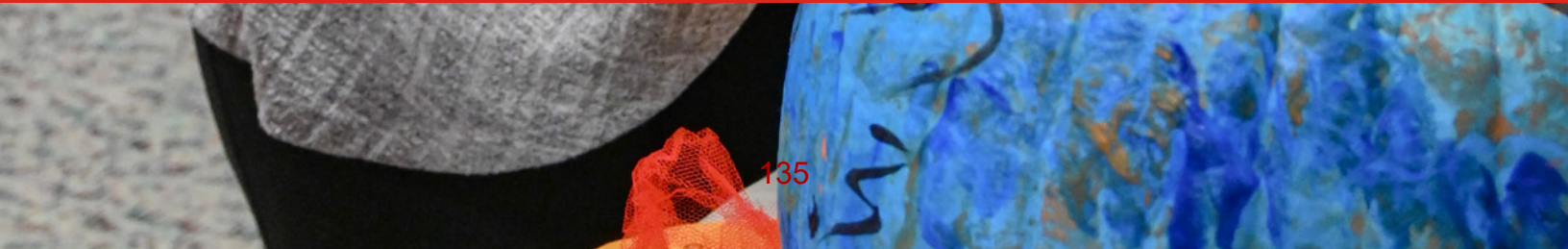
SORTED BY: FUND,BUDGET MANAGER,FUNCTION,ACCOUNT  
TOTALLED ON: FUND,BUDGET MANAGER,FUNCTION  
PAGE BREAKS ON: FUND,BUDGET MANAGER

FUND - 1994 - GENERAL FUND

ORGANIZATION / ACCOUNT / TITLE	BUDGET	PERIOD EXPENDITURES	ENCUMBRANCES OUTSTANDING	YEAR TO DATE EXP	AVAILABLE BALANCE
1994-13-330-99-301 61130000 CES330 STIPENDS	.00	.00	.00	.00	.00
1994-13-330-99-301 61190000 CES330 SALARY-PROF STAFF	513,069.00	17,780.13	.00	189,275.36	323,793.64
1994-13-330-99-301 61210000 CES330 OVERTIME	.00	.00	.00	4.86	-4.86
1994-13-330-99-301 61290000 CES330 WAGES-SUPPORT STA	49,792.00	476.44	.00	4,625.08	45,166.92
1994-13-330-99-301 61390000 CES330 EMPLOYEE ALLOWANC	1,200.00	50.00	.00	450.00	750.00
1994-13-330-99-301 61410000 CES330 FICA/MEDICARE	43,151.00	1,323.38	.00	14,096.30	29,054.70
1994-13-330-99-301 61420000 CES330 GROUP HEALTH & LI	29,394.00	1,222.80	.00	11,326.56	18,067.44
1994-13-330-99-301 61430000 CES330 WORKERS COMPENSAT	3,749.00	121.11	.00	1,297.87	2,451.13
1994-13-330-99-301 61450000 CES330 UNEMPLOYMENT COMP	2,191.00	71.31	.00	755.51	1,435.49
1994-13-330-99-301 61460000 CES330 TRS-REGULAR-NEW H	.00	.00	.00	.00	.00
1994-13-330-99-301 61470000 CES330 TRS-CARE ADMIN FE	4,221.00	137.30	.00	1,455.09	2,765.91
1994-13-330-99-301 61470009 CES330 TRS NON-OASDI	10,694.00	.00	.00	3,337.28	7,356.72
1994-13-330-99-301 61490000 CES330 EAP	143.00	5.50	.00	51.50	91.50
1994-13-330-99-301 62190000 CES330 PROFESSIONAL SERV	.00	.00	.00	.00	.00
1994-13-330-99-301 62560000 CES330 TELEPHONES,CELL &	3,000.00	.00	.00	.00	3,000.00
1994-13-330-99-301 62650000 CES330 RENTAL SPACES-EVE	21,000.00	.00	15,045.00	5,000.00	955.00
1994-13-330-99-301 62660000 CES330 LEASES & RENTALS-	11,000.00	.00	10,850.00	.00	150.00
1994-13-330-99-301 62990000 CES330 OTHER CONTRACTED	120,713.00	.00	21,477.50	2,342.50	96,893.00
1994-13-330-99-301 63290000 CES330 READING MATERIALS	3,000.00	.00	.00	867.85	2,132.15
1994-13-330-99-301 63910000 CES330 INSTRUCTIONAL MAT	200.00	.00	.00	398.26	-198.26
1994-13-330-99-301 63930001 CES330 NEW PURCH-EQUIP<\$	2,000.00	.00	.00	.00	2,000.00
1994-13-330-99-301 63930002 CES330 NEW PURCH-TECH<\$5	2,000.00	.00	.00	274.41	1,725.59
1994-13-330-99-301 63940002 CES330 REPLACE-TECH EQUI	5,400.00	.00	.00	.00	5,400.00
1994-13-330-99-301 63950000 CES330 COPIER CHARGES	5,895.00	.00	.00	.00	5,895.00
1994-13-330-99-301 63960000 CES330 PRINTING & FORMS	10,250.00	.00	.00	.00	10,250.00
1994-13-330-99-301 63970000 CES330 SOFTWARE PURCHASE	8,000.00	.00	.00	.00	8,000.00
1994-13-330-99-301 63990000 CES330 GEN SUPPLIES & MA	25,346.00	.00	2,368.66	1,617.46	21,359.88
1994-13-330-99-301 63990006 CES330 SENSITIVE ITEMS \$	.00	.00	.00	.00	.00
1994-13-330-99-301 64110000 CES330 EMPL TRAVEL-LODGI	15,360.00	.00	.00	517.50	14,842.50
1994-13-330-99-301 64120000 CES330 EMPL TRAVEL-MEALS	7,680.00	.00	.00	.00	7,680.00
1994-13-330-99-301 64130000 CES330 EMPL TRVL-TRANSP	12,480.00	.00	.00	2,398.73	10,081.27
1994-13-330-99-301 64140000 CES330 EMPL TRVL-CONF RE	12,000.00	.00	.00	8,084.85	3,915.15
1994-13-330-99-301 64150000 CES330 BUSINESS MEETING	8,198.00	.00	.00	2,101.29	6,096.71
1994-13-330-99-301 64170000 CES330 LOCAL DAILY MILEA	7,000.00	13.62	.00	85.68	6,914.32
1994-13-330-99-301 64180000 CES330 REFRESHMENTS MEET	8,618.00	.00	.00	1,472.52	7,145.48
1994-13-330-99-301 64870000 CES330 FACILITIES SUPPRT	.00	.00	.00	.00	.00
1994-13-330-99-301 64940000 CES330 WORKSHOP REG & FE	2,100.00	.00	.00	.00	2,100.00
1994-13-330-99-301 64970000 CES330 MEMBRSH DUES & L	3,000.00	.00	.00	680.00	2,320.00
1994-13-330-99-301 64980000 CES330 POSTAGE	.00	.00	.00	.00	.00
1994-13-330-99-301 64990000 CES330 MISC OPERATING CO	20,747.00	.00	14,679.75	2,195.79	3,871.46
TOTAL FUNCTION - STAFF DEVELOPMENT	972,591.00	21,201.59	64,420.91	254,712.25	653,457.84
TOTAL BUDGET MANAGER - CENTER EDUCATOR SUCC	972,591.00	21,201.59	64,420.91	254,712.25	653,457.84
TOTAL FUND - GENERAL FUND	972,591.00	21,201.59	64,420.91	254,712.25	653,457.84



# Evaluation







# HCDE BUDGET PLANNING WORKBOOK

## Budget Transfer Procedures

### **Introduction**

A budget is an estimate of planned expenditures and expected revenues. Many changes can take place between estimating for the proposed budget in March and April and the start of the new fiscal year in September. Program and operational changes will mean budget changes. These changes to the budget are made in the form of budget transfers or budget amendments.

**Budget Transfers** are initiated within e-Finance. If your division needs training in how to initiate a Budget transfer, your accountant in Business Services can help you!

**Budget Amendments** will increase your division's overall budget and may require board approval. Please discuss this with your accountant or contact Marcia Leiva for more details.

Responsibility for budget development and budget performance rests with the budget managers.

### **When to Prepare a Budget Transfer**

It is essential, for planning and control and management objectives, to revise the budget as it becomes necessary. Budget transfers should be processed if one of the following occurs:

1. An expenditure is greater than estimated, causing the account to be overdrawn.  
*EXAMPLE: You budgeted \$500 for registration for you and your staff to attend a workshop. When the registration materials arrive, you notice that the fee is \$600. Prepare a budget amendment increasing your registration account budget by \$100 to the budget in this account and reducing \$100 by transferring from another account in the budget.*
2. The program plan for your division has changed, resulting in the need to move funds from one account to another and add new accounts.  
*EXAMPLE: You originally appropriated \$2,000 in your budget to pay a temporary agency for help needed during your busy time of the year. Consequently, you and your staff agree to work the overtime and, thereby, not have to spend the \$2,000 in temporary or contracted services. Prepare a budget amendment to reduce the temporary staff account from \$2,000 to \$0 and increase your overtime account by the amount needed. If there is any difference in amount, it may be applied to another budget account where money is needed.*

**IMPORTANT NOTE:** Our internal controls mandate that Accounts Payable **cannot cut a check** to a vendor which is paid from an overdrawn account. Failure to monitor and correct budget shortfalls will result in delayed payments to your vendors.

## **When to Prepare a Budget Amendment**

1. You have requests from customers to provide more services than you had originally anticipated.

*EXAMPLE: Client ISD requests to participate in the Highpoint program. The budget has been prepared prior to this request. A budget amendment should be prepared to increase the estimated revenues and to increase account budgets to cover the additional expenditures that will result from serving more students.*

2. Your program is reduced, resulting in both your estimated revenues and budgeted expenditures (appropriations) being less than originally budgeted.

*EXAMPLE: A contract with a school district to provide special education services is not renewed. Prepare a budget amendment to decrease both the estimated revenue account(s) and the applicable appropriations of the expenditure accounts to reflect the reduction in budgeted services.*

# HCDE BUDGET PLANNING WORKBOOK

## Budget Transfer Procedures

### **Budget Transfer Approval Signature Requirements**

Budget amendments for locally funded budgets are always signed by the budget manager and by Business Services. Most amendments are done to cover unexpected expenditures or to move funds to a newly created account code. These transfers do not increase or decrease the total local budget and will not require Board approval. They may be entered into the General Ledger upon receipt in the Business Office and approval by the Assistant Superintendent for Business Services. .

Some budget amendments, however, require special approval, as follows:

1. Board approval is required if the budget amendment increases or decreases the total estimated revenues or budgeted expenditures (appropriations) of a line item or account budget or if a new source of revenue is identified for the Division / Department.
2. Executive Director of Human Resources approval is required if the budget amendment increases or decreases a payroll related account (61XX accounts).
3. If the budget is state- or federally funded, the budget amendment must be approved by grantor agency before it can go the HCDE board for approval. Refer the application and amendment instructions.
4. Superintendent approval is required anytime funds are appropriated from fund balance--before it goes to the HCDE board for approval. Each request is reviewed for merit and need.
5. In addition, check with your Executive Team supervisor to see if your budget amendments require their approval/signature.

### **Backup Required**

Attach a copy of your current Detail Expenditure Status Report to your Budget Amendment Request form. Highlight the line items on the Status Report being amended.



## **HCDE BUDGET PLANNING WORKBOOK**

### **Budget Amendment Procedures**

#### **Amendment Guidelines for State and Federal Grants through TEA**

Budget managers may transfer within the approved budget to meet unanticipated required expenditures and to make limited changes to the previously approved budget. However, certain types of changes require prior approval from TEA.

An amendment is necessary when:

- The proposed revision would result in the need for additional funding.
- Except as noted in the guidelines for specific programs, cumulative transfers among direct cost categories exceed (at any time during the grant period) 25%\* of the total current approved budget for the program. The cumulative total is defined as the total amount of additions to any class-object code not including deletions.
  - \* Check your grant for the applicable percentage.
- Any transfer of funds allotted for training costs, i.e. from direct payments to trainers to other expense categories.
- Any budget amendment to a grant containing construction costs.
- Any revision to the scope or objectives of the grant (regardless of the necessity of an amendment to the associated budget)
- A request to extend the period of the grant.
- An increase in the quantity of capital outlay items requested.
- An increase/decrease in the number of positions approved on Schedule #3B-Payroll Costs.
- Adding an item which requires prior approval.
- Adding a new class/object code not previously budgeted.
- Any other unspecified reason.

Under no circumstances may the total expenditures exceed the total amount approved. Also, budget amendments must be approved by TEA and the notice of grant award (NOGA) from TEA received in Business Services before they are presented to the HCDE Board for approval.

## **HCDE BUDGET PLANNING WORKBOOK**

### **Budget Amendment Procedures**

#### **Processing a Budget Amendment**

The budget manager initiates the budget amendment.

- If the amendment does not require one of the 'special approvals' listed above, forward it directly to the Chief Accounting Officer.
- If the budget amendment requires 'special approval' (as previously described), it should be forwarded to the appropriate director, who will forward it to Business Services once approved.
- If the budget amendment requires HCDE Board approval, forward it to the Business Services in plenty of time for it to be included in the Budget Amendment Report for the next board meeting agenda. Check the Business Services monthly calendar for due dates.

Business Services will review the budget amendment to assure that appropriate approvals have been obtained, that the budget codes are correct, and that adequate funds are available for any accounts being decreased.

## Instructions for Completing the Budget Amendment Request Form

**NOTE:**      **Use the most current version of the form from the  
Portal/Divisions/Business Services/Form/Budget Forms**

Fill in all the appropriate sections of the Budget Amendment Request Form so the request can be processed as smoothly and quickly as possible.

**Division/  
Budget:**      Type the name of your division and budget. Example:  
*CASE-After School Partnership Program*

**Fiscal Year:**      Type the current budget fiscal year.

**Business  
Posting Date:**      BUSINESS SERVICES WILL COMPLETE

**Business  
Tracking  
Number:**      BUSINESS SERVICES WILL COMPLETE

**Budget Code/  
Account:**      Enter your account number under the appropriate headings. This form reflects the Pentamation account code structure.

**Account  
Description:**      Enter account description from your Budget Report.

**CHECK HERE:  
Fund Balance  
Appropriation?**      Check if this is a Fund Balance appropriation.

**New Code?**      Check here if this is a new account code-not already on your budget report.

**ORIGINAL  
BUDGET:**      From your budget report, enter the current budget amount.

**INCR (DECR):**      Use whole dollar amounts only-not dollars and cents-when entering amounts under the "Increase" (Decrease)" column.

**REVISED  
BUDGET**      Enter the result of the addition or subtraction of your current budget amount plus or minus your amendment amount.

**Explanation:**      Reason for the amendment: transfer of funds, new funding source, additional funds received, etc. For example, "Transfer funds to cover anticipated travel expenses."

Instructions for Completing the  
Budget Amendment Request Form, continued

<b>Budget Manager</b>	The signature of the division budget manager or his designee is required. This signature is the one authorized on the <u>Signature Authority Form</u> on file
<b>Approval:</b>	with Business Services.
<b>/Date:</b>	Date the request is sent.
<b>Other Approval:</b>	Amendments to payroll costs (61XX): Executive Director of HR Amendments to technology/assets codes: Technology Director (6393XXX2, 6394XXX2, 6636XXXX, and 6646XXXX) Amendments from fund balance: Superintendent or designee
<b>/Date:</b>	Date of "Other Approval" signature
<b>Budget Review:</b>	Signature approval by the Chief Accounting Officer
<b>/Date:</b>	Date of 'Chief Accounting Officer' signature
<b>CFO</b>	Signature of approval by the Asst. Superintendent for Business.(or designee)
<b>Approval:</b>	BUSINESS SERVICES WILL COMPLETE
<b>/Date:</b>	Date of 'Asst. Superintendent for Business Services' signature
<b>Board of Trustees</b>	<b>Required, Yes? No?</b> If yes, amendment will go on the <u>Budget Amendment Report</u> . *
<b>Approval:</b>	Date: Date of Board meeting. BUSINESS SERVICES WILL COMPLETE

\* The Budget Amendment will not be signed or processed until it is approved by the Board.

Questions about budget amendments and this form should be directed to Marcia Leiva at 713-696-8251 [mleiva@hcde-texas.org](mailto:mleiva@hcde-texas.org)



Division/Budget:									Fiscal Year: FY 23-24	Business Posting Date:		Business Tracking Number:	
BUDGET CODE						ACCOUNT		Account Description	CHECK HERE: Fund Balance Appropriation?	CHECK HERE: New Code?	ORIGINAL BUDGET	INCR (DECR) (Round to whole dollar)	REVISED BUDGET
Fund Code	Fiscal Year	Function	Location	Program	Budget Mgr	Class Object	Sub-Object		New Code?	ORIGINAL BUDGET	INCR (DECR) (Round to whole dollar)	REVISED BUDGET	
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										Totals:	\$ -	\$ -	\$ -

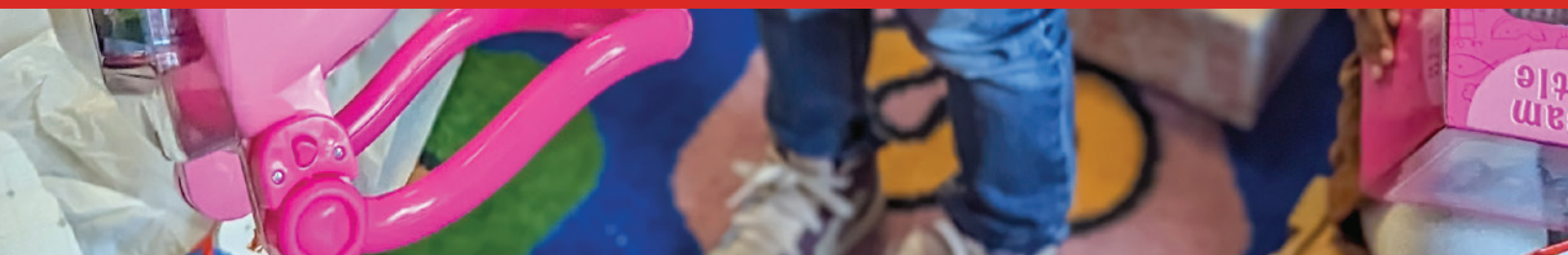
<b>Explanation:</b> <i>Please provide a detailed explanation below. Attach additional sheets if necessary.</i>				
<b>Budget Manager Approval Signature:</b>	<b>Other Approval:</b>	<b>Budget Review:</b>	<b>Asst Superintendent Approval:</b>	<b>Board of Trustees Approval :</b>  <b>Required? __YES __NO</b>
<b>Date:</b>	<b>Date:</b>	<b>Date:</b>	<b>Date:</b>	<b>Date:</b>

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## Board Policies Applicable to Budget







FISCAL MANAGEMENT GOALS AND OBJECTIVES  
FINANCIAL ETHICS

CAA  
(LOCAL)

All Trustees, employees, vendors, contractors, agents, consultants, volunteers, and any other parties who are involved in the District's financial transactions shall act with integrity and diligence in duties involving the District's fiscal resources.

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**Note:** See the following policies and/or administrative regulations regarding conflicts of interest, ethics, and financial oversight:

- Code of ethics:
    - for Board members—BBF
    - for employees—DH
  - Financial conflicts of interest:
    - for public officials—BBFA
    - for all employees—DBD
    - for vendors—CHE
  - Compliance with state and federal grant and award requirements: CB, CBB
  - Financial conflicts and gifts and gratuities regarding federal funds: CB, CBB
  - Systems for monitoring the Departments investment program: CDA
  - Budget planning and evaluation: CE
  - Compliance with accounting regulations: CFC
  - Activity fund management: CFD
  - Criminal history record information for employees: DBAA, DC
  - Disciplinary action for fraud by employees: DCD, DCE, and DF series
- 

**Fraud and Financial  
Impropriety**

The Department prohibits fraud and financial impropriety, as defined below, in the actions of its Trustees, employees, vendors, contractors, agents, consultants, volunteers, and others seeking or maintaining a business relationship with the Department.

Definition

Fraud and financial impropriety shall include but not be limited to:

1. Forgery or unauthorized alteration of any document or account belonging to the Department.

FISCAL MANAGEMENT GOALS AND OBJECTIVES  
FINANCIAL ETHICS

CAA  
(LOCAL)

2. Forgery or unauthorized alteration of a check, bank draft, or any other financial document.
3. Misappropriation of funds, securities, supplies, or other Department assets, including employee time.
4. Impropriety in the handling of money or reporting of Department financial transactions.
5. Profiteering as a result of insider knowledge of Department information or activities.
6. Unauthorized disclosure of confidential or proprietary information to outside parties.
7. Unauthorized disclosure of investment activities engaged in or contemplated by the Department.
8. Accepting or seeking anything of material value from contractors, vendors, or other persons providing services or materials to the Department, except as otherwise permitted by law or Department policy. [See CB, DBD]
9. Inappropriately destroying, removing, or using records, furniture, fixtures, or equipment.
10. Failure to provide financial records required by federal, state, or local entities.
11. Failure to disclose conflicts of interest as required by law or District policy.
12. Any other dishonest act regarding the finances of the Department.
13. Failure to comply with requirements imposed by law, the awarding agency, or a pass-through entity for state and federal awards.

**Financial Controls  
and Oversight**

Each employee who supervises or prepares Department financial reports or transactions shall set an example of honest and ethical behavior and shall actively monitor his or her area of responsibility for fraud and financial impropriety.

**Fraud Prevention**

The Superintendent or designee shall maintain a system of internal controls to deter and monitor for fraud or financial impropriety in the Department.

**Reports**

Any person who suspects fraud or financial impropriety in the Department shall report the suspicions immediately to a person with authority to investigate the suspicions, including any supervisor,

FISCAL MANAGEMENT GOALS AND OBJECTIVES  
FINANCIAL ETHICS

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	<p>the Superintendent or designee, the Board President, or local law enforcement.</p> <p>Reports of suspected fraud or financial impropriety shall be treated as confidential to the extent permitted by law. Limited disclosure may be necessary to complete a full investigation or to comply with law. All employees involved in an investigation shall be advised to keep information about the investigation confidential.</p>
<b>Protection from Retaliation</b>	<p>Neither the Board nor any Department employee shall unlawfully retaliate against a person who in good faith reports perceived fraud or financial impropriety. [See DG]</p>
<b>Fraud Investigations</b>	<p>In coordination with legal counsel and other internal or external departments or agencies, as appropriate, the Superintendent, Board President, or a designee shall promptly investigate reports of potential fraud or financial impropriety.</p>
<b>Response</b>	<p>If an investigation substantiates a report of fraud or financial impropriety, the Superintendent or designee shall promptly inform the Board of the report, the investigation, and any responsive action taken or recommended by the administration.</p> <p>If an employee is found to have committed fraud or financial impropriety, the Superintendent or designee shall take or recommend appropriate disciplinary action, which may include termination of employment. If a contractor or vendor is found to have committed fraud or financial impropriety, the Department shall take appropriate action, which may include cancellation of the Department's relationship with the contractor or vendor.</p> <p>When circumstances warrant, the Board, Superintendent, or designee may refer matters to appropriate law enforcement or regulatory authorities. In cases involving monetary loss to the Department, the Department may seek to recover lost or misappropriated funds.</p> <p>The final disposition of the matter and any decision to file a criminal complaint or to refer the matter to the appropriate law enforcement or regulatory agency for independent investigation shall be made in consultation with legal counsel.</p>
<b>Federal Awards Disclosure</b>	<p>The Department shall disclose, in a timely manner in writing to the federal awarding agency or pass-through entity, all violations of federal criminal law involving fraud, bribery, or gratuity violations potentially affecting a federal grant award. [See CBB]</p>
<b>Analysis of Fraud</b>	<p>After any investigation substantiates a report of fraud or financial impropriety, the Superintendent or designee shall analyze condi-</p>

FISCAL MANAGEMENT GOALS AND OBJECTIVES  
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tions or factors that may have contributed to the fraudulent or improper activity. The Superintendent or designee shall ensure that appropriate administrative procedures are developed and implemented to prevent future misconduct. These measures shall be presented to the Board for review.

Original Adoption: 9/19/06  
Revision: 8/16/16  
9/18/19

**Authorized  
Expenditures**

A district shall not lend its credit or gratuitously grant public money or things of value in aid of any individual, association, or corporation. *Tex. Const. Art. III, Sec. 52; Brazoria County v. Perry*, 537 S.W.2d 89 (Tex. Civ. App.—Houston [1st Dist.] 1976, no writ)

A district shall not grant any extra compensation, fee, or allowance to a public officer, agent, servant, or contractor after service has been rendered or a contract entered into and performed in whole or in part. Nor shall a district pay or authorize the payment of any claim against the district under any agreement or contract made without authority of law. *Tex. Const. Art. III, Sec. 53; Harlingen Indep. Sch. Dist. v. C.H. Page and Bro.*, 48 S.W.2d 983 (Comm. App. 1932)

The public school funds may not be spent except as provided by Education Code 45.105. The state and county available funds may be used only for the payment of teachers' and superintendents' salaries and interest on money borrowed on short time to pay those salaries that become due before school funds for the current year become available. Loans for the purpose of payment of teachers may not be paid out of funds other than those for the current year.

Local funds from district taxes, tuition fees, other local sources, and state funds not designated for a specific purpose may be used for the purposes listed above for state and county available funds and for purchasing appliances and supplies; paying insurance premiums; paying janitors and other employees; buying school sites; buying, building, repairing, and renting school buildings, including acquiring school buildings and sites by leasing through annual payments with an ultimate option to purchase [see CHG]; and, except as provided below, for other purposes necessary in the conduct of the public schools as determined by the board.

**Exception**

Funds described above may not be used to initiate or maintain any action or proceeding against the state or an agency or officer of the state arising out of a decision, order, or determination that is final and unappealable under a provision of the Education Code, except that funds may be used for an action or proceeding that is specifically authorized by a provision of the Education Code or a rule adopted under the Education Code and that results in a final and unappealable decision, order, or determination.

*Education Code 45.105(a)–(c), (c-1)*

**Fiscal Year**

The fiscal year of a district begins on July 1 or September 1 of each year, as determined by the board. *Education Code 44.0011*



<b>Budget Preparation</b>	On or before the date set by the State Board of Education (SBOE), a superintendent shall prepare, or cause to be prepared, a proposed budget covering all estimated revenue and proposed expenditures of a district for the following fiscal year. The budget must be prepared according to generally accepted accounting principles, rules adopted by the SBOE, and adopted policies of the board of trustees. <i>Education Code 44.002; 19 TAC 109.1(a), .41, .5001</i>
Funds for Accelerated Instruction	A district that is required to provide accelerated instruction under Education Code 29.081(b-1) [see EHBC] shall separately budget sufficient funds, including funds under Education Code 48.104, for that purpose. <i>Education Code 29.081(b-2)</i>
Itemization of Certain Expenditures	<p>The proposed budget of a district must include, in a manner allowing for as clear a comparison as practicable between those expenditures in the proposed budget and actual expenditures for the same purpose in the preceding year, a line item indicating expenditures for:</p> <ol style="list-style-type: none"> <li>1. Notices required by law to be published in a newspaper by the district or a representative of the district; and</li> <li>2. Directly or indirectly influencing or attempting to influence the outcome of legislation or administrative action, as those terms are defined in Government Code 305.002.</li> </ol> <p><i>Local Gov't Code 140.0045</i></p>
<b>Public Meeting on Budget and Proposed Tax Rate</b>	<p>When the budget has been prepared, the board president shall call a board meeting for the purpose of adopting a budget for the succeeding fiscal year. Any taxpayer of a district may be present and participate in the meeting. <i>Education Code 44.004(a), (f)</i> [See CCG for provisions governing tax rate adoption.]</p> <p>The meeting must comply with the notice requirements of the Open Meetings Act. <i>Gov't Code 551.041, .043</i> [See BE]</p>
Published Notice	The board president shall provide for publication of notice of the budget and proposed tax rate meeting in accordance with Education Code 44.004. [For specific requirements regarding the form, contents, and publication of the notice, see CCG(LEGAL).]
Publication of Proposed Budget Summary	Concurrently with the publication of notice of the budget under Education Code 44.004, a district shall post a summary of the proposed budget on the school district's internet website or, if the district has no internet website, in the district's central administrative office.

The budget summary must include a comparison to the previous year's actual spending and information relating to per student and aggregate spending on:

1. Instruction;
2. Instructional support;
3. Central administration;
4. District operations;
5. Debt service; and
6. Any other category designated by the commissioner.

*Education Code 44.0041*

### **Budget Adoption**

The board, at the meeting called for that purpose, shall adopt a budget to cover all expenditures for the succeeding fiscal year. The budget must be adopted before the adoption of the tax rate for the tax year in which the fiscal year covered by the budget begins. *Education Code 44.004(f)–(g)*

#### Appendix for Tax Rate Calculation Forms

The board shall include as an appendix to the district's budget for a fiscal year the tax rate calculation forms used by the designated officer or employee of the district to calculate the no-new-revenue tax rate and the voter-approval tax rate of the district for the tax year in which the fiscal year begins. *Tax Code 26.04(e-5)* [See CCG]

### **Districts with July 1 Fiscal Year**

A district with a fiscal year beginning July 1 may use the certified estimate of the taxable value of district property [see CCG] in preparing the required notice if the district does not receive the certified appraisal roll on or before June 7. A district that uses a certified estimate may adopt a budget at the public meeting designated in the published notice prepared using the estimate, but the district may not adopt a tax rate before the district receives the certified appraisal roll for the district. *Education Code 44.004(h)–(i)*

### **Budget Adoption After Tax Rate Adoption**

Notwithstanding Education Code 44.004(g), (h), and (i), above, a district may adopt a budget after the district adopts a tax rate for the tax year in which the fiscal year covered by the budget begins if the district elects to adopt a tax rate before receiving the certified appraisal roll for the district. If a district elects to adopt a tax rate before adopting a budget, the district must publish notice and hold a meeting for the purpose of discussing the proposed tax rate. Following adoption of the tax rate [see CCG], the district must publish notice and hold another public meeting before the district may adopt a budget. The comptroller shall prescribe the language and format to be used in the notices. The district may use the certified

estimate of taxable value in preparing a notice under this provision.  
*Education Code 44.004(j)*

**Publication of  
Adopted Budget**

On final approval of the budget by the board, the district shall post on the district's internet website a copy of the budget adopted by the board. The district's website must prominently display the electronic link to the adopted budget. A district shall maintain the adopted budget on the district's website until the third anniversary of the date the budget was adopted. *Education Code 44.0051*

On or before a date set by the SBOE, the budget must be filed with the Texas Education Agency according to rules established by the SBOE. *Education Code 44.005*

**Internet Posting of  
Tax Rate and Budget  
Information**

Each district shall maintain an internet website or have access to a generally accessible internet website that may be used for the purposes of these provisions. Each district shall post or cause to be posted on the internet website the following information in a format prescribed by the comptroller:

1. The name of each member of the board;
2. The mailing address, email address, and telephone number of the district;
3. The official contact information for each member of the board, if that information is different from the information described by item 2;
4. The district's budget for the preceding two years;
5. The district's proposed or adopted budget for the current year;
6. The change in the amount of the district's budget from the preceding year to the current year, by dollar amount and percentage;
7. The tax rate for maintenance and operations adopted by the district for the preceding two years;
8. The interest and sinking fund tax rate adopted by the district for the preceding two years;
9. The tax rate for maintenance and operations proposed by the district for the current year;
10. The interest and sinking fund tax rate proposed by the district for the current year; and
11. The most recent financial audit of the district.

*Tax Code 26.18*

<b>Effect of Adopted Budget and Amendment</b>	Public funds of the district may not be spent in any manner other than as provided for in the budget adopted by the board, but the board may amend a budget or adopt a supplementary emergency budget to cover necessary unforeseen expenses. Any amendment or supplementary budget must be prepared and filed in accordance with SBOE rules. <i>Education Code 44.006</i>
<b>Spending Violation/Offense</b>	A trustee who votes to approve any expenditure of school funds in violation of a provision of the Education Code, for a purpose for which those funds may not be spent, or in excess of the item or items appropriated in the adopted budget or a supplementary or amended budget commits an offense. <i>Education Code 44.052(c)</i>
<b>Certain Donations</b>	A district may donate funds or other property or service to the adjutant general's department, the Texas National Guard, or the Texas State Guard. <i>Gov't Code 437.111(b), .252, .304(a)</i>
<b>Commitment of Current Revenue</b>	<p>A contract for the acquisition, including lease, of real or personal property is a commitment of a district's current revenue only, provided the contract contains either or both of the following provisions:</p> <ol style="list-style-type: none"> <li>1. Retains to a board the continuing right to terminate the contract at the expiration of each budget period during the term of the contract.</li> <li>2. Is conditioned on a best-efforts attempt by the board to obtain and appropriate funds for payment of the contract.</li> </ol> <p><i>Local Gov't Code 271.903</i></p>
<b>Prohibited Uses of Resources</b>	Except as provided below or by Education Code 45.109(a-1), (a-2), or (a-3) [see CX], the board may not enter into an agreement authorizing the use of school district employees, property, or resources for the provision of materials or labor for the design, construction, or renovation of improvements to real property not owned or leased by the district.
Improvements to Real Property	<p>This provision does not prohibit the board from entering into an agreement for the design, construction, or renovation of improvements to real property not owned or leased by the district if the improvements benefit real property owned or leased by the district. Benefits to real property owned or leased by the district include the design, construction, or renovation of highways, roads, streets, sidewalks, crosswalks, utilities, and drainage improvements that serve or benefit the real property owned or leased by the district.</p> <p><i>Education Code 11.168</i></p>

## Hotels

The board may not impose taxes; issue bonds; use or authorize the use of district employees; use or authorize the use of district property, money, or other resources; or acquire property for the design, construction, renovation, or operation of a hotel. The board may not enter into a lease, contract, or other agreement that obligates the board to engage in an activity prohibited by this provision or obligates the use of district employees or resources in a manner prohibited by this provision.

“Hotel” means a building in which members of the public obtain sleeping accommodations for consideration. The term includes a motel.

*Education Code 11.178*

## Electioneering

For restrictions on using district funds for electioneering, see BBBD.

<b>Fiscal Year</b>	The Department shall operate on a fiscal year beginning September 1 and ending August 31.
<b>Schedules</b>	The Superintendent, Assistant Superintendent – Business Services or designee shall supervise the development of a budget calendar and a specific plan for budget preparation. The budget schedule shall include time lines for designated individuals or groups to submit budget proposals.
<b>Budget Planning</b>	Budget planning shall be an integral part of overall program planning so that the budget effectively reflects the Department's programs and activities and provides the resources to implement them. In the planning process, general Departmental goals, specific program goals, and alternatives for achieving program goals shall be considered. Budget planning and evaluation are continuous processes and should be a part of each month's activities.
<b>Budget Meeting</b>	<p>The annual public meeting to discuss the proposed budget shall be conducted as follows:</p> <ol style="list-style-type: none"> <li>1. The Board President shall request at the beginning of the meeting that all persons who desire to speak on the proposed budget sign up on the sheet provided.</li> <li>2. Prior to the beginning of the meeting, the Board may establish time limits for speakers.</li> <li>3. Speakers shall confine their remarks to the appropriation of funds as contained in the proposed budget.</li> <li>4. No Trustee, officer or employee of the Department shall be required to respond to questions during the meeting from speakers or the public.</li> </ol>
<b>Tax Rate Meeting</b>	<p>The annual public meeting to discuss the proposed tax rate shall be conducted as follows:</p> <ol style="list-style-type: none"> <li>1. The Board President shall request at the beginning of the meeting that all persons who desire to speak on the proposed tax rate sign up on the sheet provided.</li> <li>2. Prior to the beginning of the meeting, the Board may establish time limits for speakers.</li> <li>3. Speakers shall confine their remarks to the appropriation of funds as contained in the proposed the tax rate.</li> </ol> <p>No officer or employee of the Department shall be required to respond to questions from speakers during the meeting.</p>



**Authorized Expenditures**

The adopted budget provides authority to expend funds for the purposes indicated and in accordance with state law, Board policy, and the Department's approved purchasing procedures. The expenditure of funds shall be under the direction of the Superintendent, Assistant Superintendent–Business Services or appropriate designee(s) who shall ensure that funds are expended in accordance with the adopted budget.

**Budget Amendments**

The budget shall be amended when a change in expenditures is made between or among divisions increasing/decreasing revenue object accounts and other resources. The Board delegates to the Superintendent or the Superintendent's designee the authority to approve budget amendments of less than \$200,000 and that do not result in a change to fund balance. Budget amendments of \$200,000 or more or that result in a change to fund balance shall require Board approval.

**Financial Reports and Statements**

The Assistant Superintendent Business Services or the department's designee shall be responsible for preparation of an annual financial statement that shows the following for each fund subject to its authority during the fiscal year:

1. The total receipts of the fund, itemized by source of revenue, including taxes, assessments, service charges, grants of state money, gifts, or other general sources from which funds are derived;
2. The total disbursements of the funds, itemized by the nature of the expenditure; and
3. The balance in the fund at the close of the fiscal year.

**Annual Audit**

The Board shall have the Department's fiscal accounts audited annually, at Department expense, by a Texas certified or public accountant holding a permit from the State Board of Public Accountancy. Prior to the audit engagement, the Board shall require any auditor or auditing organization proposing to perform this audit to provide a written proposal or an engagement letter.

The audit report shall include financial statements and shall indicate whether those statements are presented in accordance with generally accepted accounting principles. The report shall contain either an expression of opinion regarding the financial statements, taken as a whole, or an assertion that an opinion cannot be expressed. When an overall opinion cannot be expressed, the reasons therefore shall be stated.

In an effort to provide adequate cash flow for HCDE operations, the Department shall maintain an unassigned fund balance equal to a minimum of two months of operations costs.

This amount would be determined by first adding budgeted operations and maintenance costs plus debt service requirements. This total would be divided by 12 and then multiplied by two to calculate the two months operating costs requirements.

## Order of Expenditure

The order of spending and availability is to reduce restricted, committed, assigned, and then unassigned funds. Negative amounts are not reported for restricted, committed, or assigned funds in any fund.

## Definitions

Fund balance shall mean the gross difference between governmental fund assets and liabilities reflected on the balance sheet.

The fund balance of the general fund, one of the governmental fund types, is of primary significance because the general fund is the fund which finances most functions of the Department.

The five classifications of fund balance of the general fund include:

### Nonspendable Fund Balance

1. **Nonspendable fund balance** shall mean that portion of the gross fund balance that is not expendable (such as inventories) or is legally earmarked for a specific use such as the self funded reserves program.

Example of fund balance reserves for which fund balance is not available for financing general operating expenditures are:

- a. Inventories
- b. Prepaid items
- c. Deferred expenditures
- d. Self funded risk management programs
- e. Long term receivables
- f. Outstanding encumbrances

### Restricted Fund Balance

2. **Restricted fund balance** includes amounts constrained to a specific purpose by the provider, such as grantor.
  - a. Federal or state granting agency (i.e. CASE, Adult Education, ECI, Head Start)
  - b. Construction funds (QZAB, PFC)
  - c. Retirement of long term debt

### Committed Fund Balance

3. **Committed fund balance** shall mean that portion of the fund balance that is constrained to a specific purpose by the Board of Trustees.

Assigned Fund  
Balance

4. **Assigned fund balance** shall mean that portion of the fund balance that is spendable or available for appropriation but has been tentatively earmarked for some specific purpose by the Board of Trustees and/or the Superintendent.

In current practice, such plans or intent may change and never be budgeted or result in expenditures in future periods of time. Examples of assigned fund balances which the department may have tentative plans for expenditures in future period include:

- a. Capital replacement (expenditures for equipment, furniture, software)
- b. Building construction, repair and renovation
- c. Insurance deductibles
- d. Claims and judgments
- e. Employee retirement leave reserves
- f. Expansion and moving costs
- g. Program start up costs
- h. Debt service reduction
- i. Other legal uses

Unassigned Fund  
Balance

5. **Unassigned fund balance** includes amounts available for any legal purpose. This portion of the total fund balance in the general fund is available to finance operating expenditures.

Unassigned fund balance shall mean the difference between the total fund balance and the total of the nonspendable fund balance restricted fund balance, committed fund balance and assigned fund balance.

Original Adoption: 4/19/05  
Revision(s): 10/21/08  
6/16/09  
12/14/10  
4/19/11  
4/20/2022

## **Grants and Awards**

The Superintendent shall be authorized to:

1. Apply, on behalf of the Board, for any and all special federal and state grants and awards as deemed appropriate for the District's operations;
2. Approve commitment of District funds for matching, cost sharing, cooperative, or jointly funded projects up to the amounts specifically allowed under the District budget approved by the Board; and
3. Approve grant and award amendments as necessary.
4. Approve grant budgets and amendments as necessary.

The District shall comply with all requirements for state and federal grants and awards imposed by law, the awarding agency, or an applicable pass-through entity. The Superintendent shall develop and enforce financial management systems, internal control procedures, procurement procedures, and other administrative procedures as needed to provide reasonable assurance that the District is complying with requirements for state and federal grants and awards.

[See CAA, CBB]

## **Federal Awards**

### **Conflict of Interest**

Each employee, Board member, or agent of the District who is engaged in the selection, award, or administration of a contract supported by a federal grant or award and who has a potential conflict of interest as defined at Code of Federal Regulations, title 2, section 200.318, shall disclose to the District, in writing, any conflict that meets the disclosure threshold in Chapter 176 of the Local Government Code. [See CBB]

In addition, each employee, Board member, or agent of the District shall comply with any other conflict of interest requirements imposed by the granting agency or a pass-through entity.

For purposes of this policy, "immediate family member" shall have the same meaning as "family member" as described in Chapter 176 of the Government Code. [See BBFA]

For purposes of this policy, "partner" shall have the same meaning as defined in Business Organizations Code Chapter 1, Subchapter A.

An employee, Board member, or agent of the District who is required to disclose a conflict in accordance with the provisions above shall not participate in the selection, award, or administration of a contract supported by a federal grant or award.

#### Gifts and Gratuities

Employees, Board members, and agents of the District shall not solicit any gratuities, favors, or items from a contractor or a party to a subcontractor for a federal grant or award and shall not accept:

1. Any single item with a value at or above \$100.00; or
2. Items from a single contractor or subcontractor that have an aggregate monetary value exceeding \$100.00 in a 12-month period.

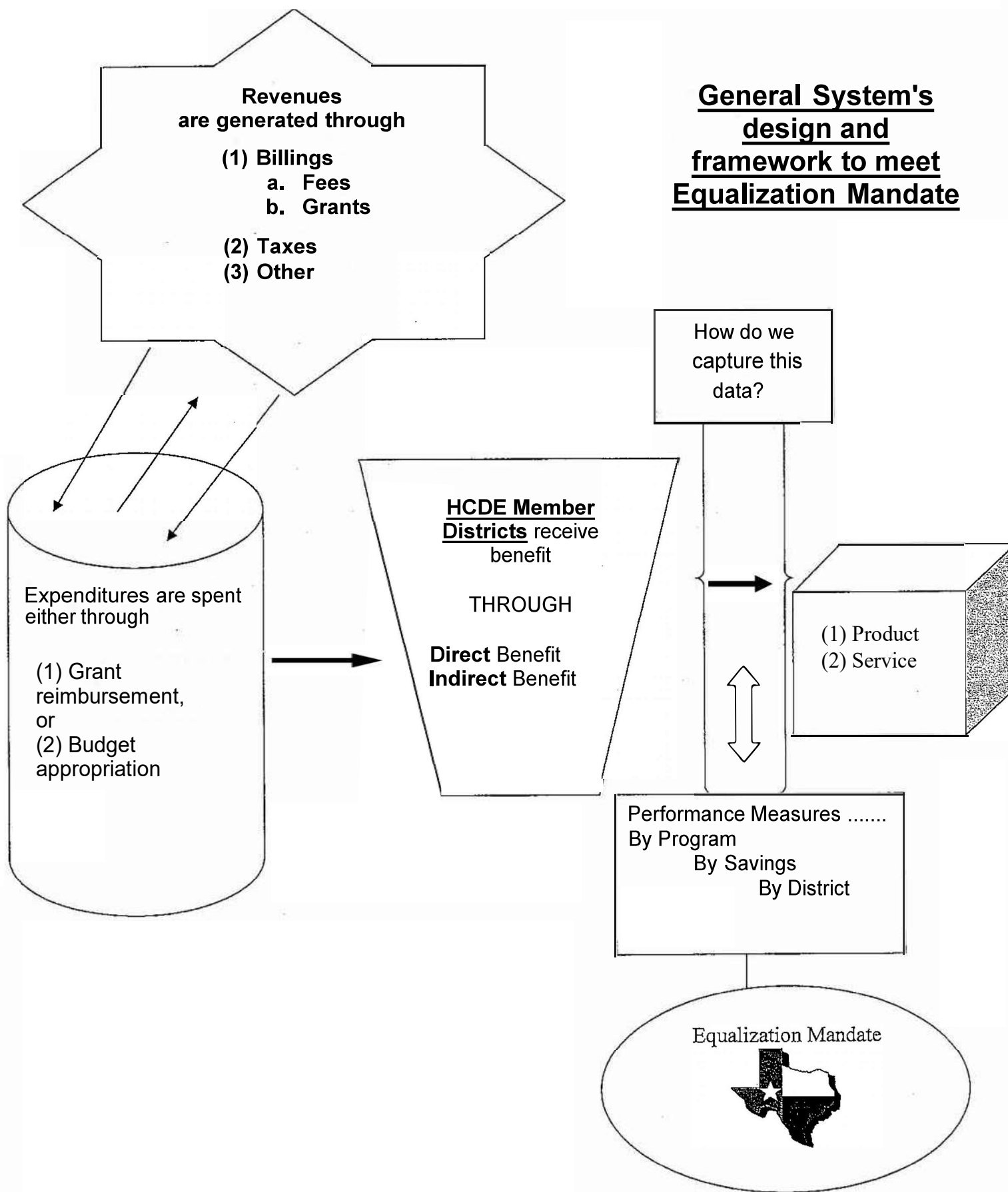
[See BBFB, CBB, DBD. In the event of a violation of these requirements, see CAA and DH.]

Original Adoption: 5/13/05

Revision/s: 8/16/16

4/20/2022

**General System's  
design and  
framework to meet  
Equalization Mandate**







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# Account Codes





## ACCOUNT CODE STRUCTURE – eFinance plus SYSTEM

The complete Account Code looks as follows:

199 **5**-41-050-99-**050 63990000** is the **Supplies & Materials** code in the **Business Services** budget.

BUDGET CODE:						ACCOUNT CODE:	
Fund Code	FY Code	Function Code	Location Code	Program Code	Budget Manager Code	Class Object Code	Sub-Object Code
NUMBER OF DIGITS:							
(3)	(1)	(2)	(3)	(2)	(3)	(4)	(4)

FY = Fiscal Year. The Fiscal Year Code is the last digit of the fiscal year. For example: For fiscal year (FY) 2024-25, the fiscal year code is **5**

Instructions for accessing account codes are in **HCDE Portal**.

Complete lists of codes and descriptions can be found on:

HCDE Portal\Business Services\Account Codes

They include:

- Fund Codes
- Function Codes
- Location Codes
- Program Codes
- Budget Manager Codes
- Object Codes: Revenues and Expenditures

## HCDE FUND CODES

<b>100 - GENERAL FUND</b>	<b>400 - LOCAL GRANTS - CONT.</b>
199-GENERAL FUND	479-LOC HEAD START IN-KIND
	495-HOGG GRANT - MENTAL HEALT
<b>200 - FEDERAL GRANTS</b>	496-LOC-HOGG FOUNDATION
205-HEAD START	498-LOC-OTHER LOCAL GRANTS
206-HEAD START TRAINING	
209-HS - COOLWOOD CONSTRUCTIO	<b>500 - DEBT SERVICE</b>
212-2022 HS CARE RELIEF FUNDS	599-DEBT SERVICE ADMIN
213-TECQ/ AUDUBON	
214-EARLY HEADSTART START-UP	<b>600 - CAPITAL PROJECT FUNDS</b>
215-EARLY HEADSTART OPERATION	692-MAINTENANCE NOTE SERIES 2024
216-EARLY HEADSTART T&TA	693-DISASTER RELIEF FUND
218-HS - COOLWOOD LAND ACQUI	694-CAPITAL PROJECTS - PFC
224-TCEQ - ENGAG COMMUN CASE	695-CAPITAL PROJ LOCAL FUNDS
230-FEDERAL ADULT ED REGULAR	696-LA PORTE HS CONSTRUCTION
234-FED-ADULT ED-EL/CIVICS	697-CAPITAL PROJECT FUND
237-EMPLOYER ENGAGEMENT	698-PFC REFUNDING BONDS
238-FAMILY MATH LITERAC	699-PUBLIC FACILITIES CORP
264-21ST CENTURY - CYCL 12	
265-21ST CENTURY - CYCLE 11	<b>700 - PROPRIETARY FUNDS</b>
268-FED 21ST CENTURY CYCLE 10	711-CHOICE PARTNERS
286-TX COUNCIL DEV DISABILITY	753-ISF-WORKERS COMPENSATION
288-FED-AFTER SCHOOL PTNRSHIP	799-ISF-FACILITIES
<b>400 - LOCAL GRANTS</b>	<b>800 - FIDUCIARY - TRUST/CUSTODIAL FUNDS</b>
432-ACCESS - ADULT ED	811-HIGHPOINT EAST ACTIVITY
437-HS - DISASTER RELIEF COVI	815-COURTESY COMMITTEE
451-DCF - EPP GRANT	829-BLAIR ENDOWMENT FUND
462-EVERY HOUR COUNTS	
463-LOC-HOUSTON ENDOWMNET	<b>900 - ACCOUNT GROUPS</b>
467-LOC-CITY OF HOUSTON	901-GENERAL CAPITAL ASSETS
468-COUNTY CONNECTION PROGRAM	902-PFC CAPITAL ASSETS
475-EARLY HEAD START IN-KIND	903-LONG TERM DEBT

**HARRIS COUNTY DEPARTMENT OF EDUCATION**  
**FY 2025 Function Codes**

<b>CODE</b>	<b>TITLE</b>
11	Instruction and Instruction Related Services
12	Instructional Resources and Media Services
13	Curriculum Development and Instructional Staff Development
21	Instructional Leadership
23	School Leadership
31	Guidance, Counseling and Evaluation Services
32	Social Work Services
33	Health Services
34	Student Transportation
35	Food Services
41	General Administration
51	Facilities Maintenance and Operations
52	Security and Monitoring Services
53	Data Processing Services
61	Community Services
62	School District Administrative Support Services
71	Debt Service
81	Facilities Acquisition and Construction
93	Payments to Fiscal Agent or Member Districts of Shared Services Arrangements
99	Other Intergovernmental Charges



**HARRIS COUNTY DEPARTMENT OF EDUCATION  
HCDE-used Function Codes with General Description**

<b>CODE</b>	<b>GENERAL DESCRIPTION</b>
11	<p><b>Instruction and Instruction Related Services –</b> This code is for costs for activities that deal directly with instruction (the interaction between teachers and students). Instruction may be provided to students in a school classroom or in another location, such as a home or hospital, and in other learning situations. It may be provided through face-to-face interaction or an approved medium such as television, radio, telephone, telecommunications, multimedia, correspondence, computer, internet, or online. This code includes costs for direct classroom instruction, other instruction, and activities that enhance or direct the delivery of instruction to students.</p>
12	<p><b>Instructional Resources and Media Services –</b> Function 12 is used for expenditures/expenses that are directly and exclusively used for resource centers, establishing and maintaining libraries and other major facilities dealing with educational resources and media.</p>
13	<p><b>Curriculum Development and Instructional Staff Development –</b> This code is for direct costs for services to help instructional staff members plan, develop, and evaluate the process of providing learning experiences for students. These services include in-service training and other staff development for the school district's instructional staff members or members of instruction-related staffs (function codes 11, 12, and 13). This code is also for costs related to researching, developing, and modifying instruction.</p>
21	<p><b>Instructional Leadership –</b> Function 21 is used for expenditures/expenses that are directly used for managing, directing, supervising, and providing leadership for staff who provide general and specific instructional services.</p>
23	<p><b>School Leadership –</b> This code is for costs for managing a school campus. Managing a campus includes the activities performed by the principal, assistant principals, and other assistants while they do the following:</p> <ul style="list-style-type: none"> <li>• supervise all operations of the campus</li> <li>• evaluate staff members of the campus</li> <li>• assign duties to staff members who maintain student records for the campus.</li> </ul>
31	<p><b>Guidance, Counseling and Evaluation Services –</b> This code is for direct costs for assessing students' abilities, aptitudes, and interests; counseling students about career and educational opportunities; and helping students set realistic goals. These costs include the costs of providing psychological services, educational counseling, and occupational counseling; identifying individual characteristics; and testing and evaluating students.</p>

**HARRIS COUNTY DEPARTMENT OF EDUCATION  
HCDE-used Function Codes with General Description**

<b>CODE</b>	<b>GENERAL DESCRIPTION</b>
32	<p><b>Social Work Services –</b> This code is for direct costs that are exclusively for activities such as the following:</p> <ul style="list-style-type: none"> <li>• investigating and diagnosing student social needs arising out of the home, school, or community</li> <li>• providing casework and group work services for the child, parent, or both</li> <li>• interpreting the social needs of students for other staff members</li> <li>• • promoting change in an individual student's circumstances related to his or her social needs, including providing referrals to and interacting with other governmental agencies</li> </ul>
33	<p><b>Health Services –</b> This code is for direct costs that are exclusively for providing physical health services to students or for direct costs for inoculations for staff members. Physical health services include medical, dental, and nursing services.</p>
34	<p><b>Student Transportation –</b> This code is for costs incurred in transporting students to and from school. It is also for costs that are exclusively for student transportation that is related to career and technical education (CTE) services, special education services, or other special program services.</p>
35	<p><b>Food Services –</b> This code is for direct costs that are exclusively for supervising or maintaining a food service operation. These costs include those for food, labor, and other goods and services needed to prepare, transport, and store food for students and staff members.</p>
41	<p><b>General Administration –</b> This code is for costs to manage or govern the school district as an overall entity, including some activities that do not apply directly and exclusively to specific functions. General administration costs are indirect costs that apply to other expenditure functions of a school district. For all costs that your district records with function code 41, your district must use:</p> <ul style="list-style-type: none"> <li>• program intent code 99 and</li> <li>• the organization codes in the 700-organization code group.</li> </ul> <p>(The organization codes in that group may not be used with any other function code, other than specific costs in function code 53 [Data Processing] that relate to the functions of the business office.)</p>
51	<p><b>Facilities Maintenance and Operations –</b> This code is for costs to maintain and operate the physical facilities, including costs for keeping the facilities and grounds open, clean, comfortable, insured, and in an effective working condition and state of repair. This code is also for costs associated with warehousing items and receiving services.</p>

**HARRIS COUNTY DEPARTMENT OF EDUCATION  
HCDE-used Function Codes with General Description**

<b>CODE</b>	<b>GENERAL DESCRIPTION</b>
52	<p><b>Security and Monitoring Services –</b> This code is for costs for activities to keep the surroundings of students and staff members safe, whether students and staff members are in transit to or from school, on a campus, or at a school-sponsored event at another location.</p>
53	<p><b>Data Processing Services –</b> This code is for costs for data processing services, whether in-house or contracted. For data-processing costs associated with business office functions, such as accounting and payroll, your district must use organization code 750.</p>
61	<p><b>Community Services –</b> This code is for costs of activities other than regular public education and adult basic education services. These activities include services to the whole community or some segment of the community, such as providing resources to nonpublic schools or institutions of higher education and any proprietary services for outside entities in the community. HCDE uses this function for expenditures for Center for Safe and Secure Schools, and Scholastic Arts and Writing Program.</p>
62	<p><b>School District Administrative Support Services –</b> This code is used exclusively by regional education service centers (ESCs) for costs related to performing certain administrative services for school districts. These services include:</p> <ul style="list-style-type: none"> <li>• indirect instructional services for students, such as guidance and counseling, social work, health services, and food services, and</li> <li>• general administrative services, such as budget management, accounting, joint purchasing, tax administration, and preparing program applications.</li> </ul> <p>This code includes costs for region-wide in-service education and development activities that ESCs provide to school district professional staff members classified with function codes other than 11, 12, and 13. HCDE uses this function for expenditures for School Governance and Fiscal Accountability, Food Co-ops, Purchasing Co-ops, Choice Facility Partners, and Records Management Services.</p>
71	<p><b>Debt Service –</b> This code is for costs to pay the following:</p> <ul style="list-style-type: none"> <li>• principal and interest on debt and</li> <li>• related debt service costs</li> </ul> <p>For costs classified with this function code, your school district must use program intent code 99 (Undistributed) and either organization code 999 (Undistributed) or organization code 998 (Unallocated, Local Option).</p>

**HARRIS COUNTY DEPARTMENT OF EDUCATION  
HCDE-used Function Codes with General Description**

<b>CODE</b>	<b>GENERAL DESCRIPTION</b>
81	<b>Facilities Acquisition and Construction –</b> This code is for costs to acquire, equip, or make additions to real property and sites, including capital lease transactions.
93	<b>Payments to Fiscal Agent or Member Districts of Shared Services Arrangements –</b> This code is for costs for the following: <ul style="list-style-type: none"> <li>• payments from a member district to a fiscal agent of a shared services arrangement (SSA)</li> <li>• payments from a fiscal agent to a member district of an SSA</li> </ul> For costs classified with this function code, your school district must use either organization code 999 (Undistributed) or organization code 998 (Unallocated, Local Option), as applicable.
99	<b>Other Intergovernmental Charges –</b> This code is for recording intergovernmental charges not defined by any of the preceding codes. Costs classified with this code include the following: <ul style="list-style-type: none"> <li>• costs to obtain instructional services from another public school for grade levels not offered by your school district</li> <li>• set-aside amounts for private school services.</li> </ul>

Source:  
 Financial Accountability System Resource Guide, Update 16  
 Financial Accounting and Reporting  
 Appendices  
 Texas Education Agency  
 2019

# HARRIS COUNTY DEPARTMENT OF EDUCATION

## FY 2025 Location Codes

BM CODE	BUDGET NAME	LOCATION CODE
001	Superintendent's Office	001
005	Ctr for Safe and Secure Schools	005
010	Board of Trustees	010
011	Asst Superintendent - Academic	011
012	Asst Superintendent - Educational	012
014	Educator Certification	014
030	Human Resources	030
050	Business Support Services	050
052	Debt Service	052
083	Facilities Support Services	070
089	Job Order Contracts-also CFP	070
083	Facilities-Central Support	071
083	Facilities-Caplin Warehouse	078
086	Facilities-Construction	079
083	Facilities-Risk Management	080
083	Facilities-Irvington Warehouse	083
083	Facilities-Melbourne Warehouse	084
088	Facilities-Building Replace Schedule	088
083	Facilities-North Post Oak	089
090	Technology Support Services	090
091	Digital Learning and Instr Technology	091
092	Marketing Services	092
093	Chief Information Officer	093
094	External Relations Officer	094
095	QZAB and Maint Tax Notes Fund	095
098	Department Wide	098
099	Retirement Leave Benefits	099
101	State TRS On Behalf Payments	101
102	State TEA Emp Portion Health Ins	102
103	State TEA Supplemental Comp	103
111	Special Education Therapy Services	111
301	Center For Educator Success	301
	Scholastic Arts Program	312
	Teacher Programs	330
	Recruitment& Compliance	331
	Teacher Advancement	332
501	Special Schools Administration	501
131	ABC-East	601
084	Facilities-ABS East	601
132	ABS-West	602

BM CODE	BUDGET NAME	LOCATION CODE
084	Facilities-ABS West	602
084	Facilities-ABS West - 12772 Medfield Dr	604
800	Fortis Academy	605
084	Facilities-Highpoint East	607
970	Highpoint-East	607
901	Head Start-Turning Bsin	610
901	Head Start-Sheffield Center	611
901	Head Start-Tidwell Center	612
901	Head Start-Coolwood Center	621
901	Head Start-Humble Center	631
901	Head Start-Compton Center	641
901	Head Start-Dogan Center	642
901	Head Start-Fifth Ward Center	643
901	Head Start-Barrett Station Center	644
901	Head Start-Pugh Center	646
901	Head Start-Baytown Center	651
901	Head Start-J D Walker Center	652
901	Head Start - Channelview	657
901	Head Start - San Jacinto	658
901	Head Start-La Porte Center	661
901	Head Start - Fonwood	663
083	Facilities-Print Shop Crosstimbers	670
083	Facilities-RMS-Crosstimbers	671
954	Records Management Services	671
201	Adult Education	672
083	Facilities-Adult Education	672
901	EHS-Irvington	710
	EHS-Barrett Station	750
	EHS-Baytown	751
911	Equine Center	911
920	Education Foundation	920
921	Community Engagement	921
922	Co-op for After School Enrichment	922
923	TX Center for Grants Development	923
924	Research and Evaluation	924
925	Comm and Public Information	925
950	Purchasing Support Services	950
951	Purchasing Co-op	951
955	Gulf Coast Food Cooperative	955

**HARRIS COUNTY DEPARTMENT OF EDUCATION  
FY2024 Program Codes**

**USE WITH REVENUE OBJECT CODES ONLY**

**00 – Undistributed**

**USE WITH EXPENDITURE OBJECT CODES**

**99 - Undistributed**



**HARRIS COUNTY DEPARTMENT OF EDUCATION**  
**FY25 Budget Manager Codes**

RESPONSIBLE	BM CODE	FUND	BUDGET NAME	BUDGET MANAGER
James Colbert, Jr.	001	199	Superintendent's Office	James Colbert, Jr.
James Colbert, Jr.	010	199	Board of Trustees	James Colbert, Jr.
CJ Rodgers	012	199	Assistant Superintendent for Education and Enrichment	CJ Rodgers
CJ Rodgers	005	199	Center for Safe and Secure Schools	Leslie Etheridge
CJ Rodgers	201	199	Adult Education	Stephanie Ross
CJ Rodgers	923	199	Center for Grants Development	Joyce Akins
CJ Rodgers	924	199	Research and Evaluation	Yolanda Pyrtle
CJ Rodgers	301	199	Center for Educator Success	Andrea Segraves
Danielle Bartz	094	199	Chief of Staff	Danielle Bartz
Danielle Bartz	920	199	Education Foundation	Danielle Bartz
Danielle Bartz	921	199	Community Engagement	Danielle Bartz
Danielle Bartz	922	199	Cooperative for After School Enrichment (CASE)	Lisa Thompson Caruthers
Michelle Williams	083	799	Facilities Support Services	Michelle Williams
Michelle Williams	084	799	Facilities Maintenance	John Prestigiacomo
Michelle Williams	086	199	Facilities Construction (Location 079)	Joe Carreon
Michelle Williams	087	199	Local Construction	Joe Carreon
Michelle Williams	088	199	Facilities & Technology Replacement Asset Schedule	Danielle Clark
Michelle Williams	954	199	Records Management Services	Curtis W. Davis
Michelle Williams	089	711	Choice Facility Partners	Jeffrey Drury
Michelle Williams	951	711	Choice Partners - Purchasing Co-Op	Jeffrey Drury
Michelle Williams	955	711	Choice Partners - Gulf Coast Food (Purchasing) Co-op	Jeffrey Drury
Jesus Amezcua	050	199	Business Support Services	Marcia Leiva
Jesus Amezcua	052	599	Debt Service	Jesus J. Amezcua / Marcia Leiva
Jesus Amezcua	053	199	ISF - Workers Comp	Jesus J. Amezcua / Marcia Leiva
Jesus Amezcua	098	199	Department Wide	Jesus J. Amezcua / Marcia Leiva
Jesus Amezcua	099	190	Retirement Leave Benefits Fund	Arthur Sylvester
Jesus Amezcua	101	199	State TRS On Behalf Payments	Marcia Leiva
Jesus Amezcua	102	199	State TEA Employee Portion Health Insurance	Marcia Leiva
Jesus Amezcua	103	199	State TEA Supplemental Compensation	Marcia Leiva
Jesus Amezcua	950	199	Procurement Sevices	Edna Johnson
Danielle Clark	088	199	Facilities Asset Replacement Schedule	Danielle Clark
Danielle Clark	090	199	Technology Support Services	Christian Hoesel
Danielle Clark	092	199	Client Engagement	Stephanie de los Santos
Danielle Clark	093	199	Chief Communications Officer	Danielle Clark
Danielle Clark	925	199	Communications and Public Information	Lindsey Sanders
Arthur Sylvester	030	199	Human Resources	Arthur Sylvester
Jonathan Parker	011	199	Assistant Superintendent Academic Support Services	Jonathan Parker
Jonathan Parker	111	199	Special Education Therapy Services	Carie Crabb
Jonathan Parker	901	205	Head Start / Early Head Start	Venetia L. Peacock
Jonathan Parker	501	199	Special Schools Administration	Charles Ned
Jonathan Parker	131	199	ABS East	Mercedes Love
Jonathan Parker	132	199	ABS West	Jatata Hutton
Jonathan Parker	970	199	Highpoint East	Courtney Waters
Jonathan Parker	800	199	Fortis Academy - (Recovery School)	Travita Godfrey

# HARRIS COUNTY DEPARTMENT OF EDUCATION

## Revenue Codes

Code	Description	Code	Description
<u>Other Resources &amp; Operating Transfers In</u>		<u>Local Revenues-Other Revenues</u>	
5611 0000	Issuance of Bonds	5742 0000	<i>Earning from Temporary Deposits and Investments</i>
5615 0000	Operating Transfers In	5742 0001	Investment Pool Earnings
5649 0000	Other Sources	5742 0002	Investment Security Revenues
<u>Local Revenues-Tax Revenues</u>		5743 0000	<i>Rent</i>
5711 0000	<i>Taxes - Current Year Levy</i>	5744 0000	<i>Revenue from Foundations, Gifts and Bequests</i>
5711 0099	Distribution Current Tax Rev.	5744 0038	Loc-Gifts & Donations-SF
5712 0000	<i>Taxes - Prior Years</i>	5745 0000	Insurance Recovery
5713 0000	Taxes - Special Assessments	5748 0000	In Kind Revenue
5717 0000	Payment in Lieu of Taxes	5748 0001	In-Kind-HS Healthy Livin
5718 0000	Revenue - Misc. Collections	5749 0000	Other Local Revenues
5719 0000	Tax Penalties & Interest	5749 0007	Product Exhibit
<u>Local Revenues-Tuition &amp; Fees from School Districts</u>		5749 0008	Supply Boxes In-County
5725 0000	Tuition-Schools-In County	5749 0011	Loc Rev-Refunds Prior Yr
5725 0001	Tuition-Schools-Out of County	5749 0015	Supply Boxes Out-County
5726 0000	Fees for Svcs-In County	5759 0000	Workers Comp Contributio
5726 0001	Fees for Svcs-Out of County	<u>Local Revenues-Local Grants</u>	
5726 0002	Storage Fees	5797 0000	Interdepartmental Revenue
5726 0003	Storage Fees - Out of County	5798 0000	Local Grant
5726 0004	Elec Vault Fees - In County	5798 0067	Local Grant - EFHC - Ecobot
5726 0005	Elec Vault Fees - Out of County	5798 0601	Local Grant - HS Supermentor
5726 0007	CASE Training Revenues	5798 0652	Local Grant - HS JD Walker
5726 0009	Revenue - GEMS	5799 0000	Local Indirect Cost
5726 0065	Loc Revenue - Lone Star CC Proj	5799 0002	Local Ind Cost - Houston Endowment
5726 0080	Fees - HC Plus	5799 0003	Local IC Hogg Foundation
5727 0000	Staff Development-In County	<u>State Revenues</u>	
5727 0001	Staff Development-Out of County	5812 0000	State Rev-Found Schl Prog-Comp
5728 0000	Vendor Participation Fees	5829 0000	State Rev-TEA Distributed
5728 0002	GCC Food Co-op Expo	5831 0000	TRS On-Behalf Payments
5728 0003	Catalog Discount Program	5832 0000	TRS Active Care Supplemental
5728 0004	Participation Fees - ISD's	5839 0000	State Rev-State Agency Distributed
5728 0006	Participation Fees - Other	5899 0001	State-Ind Cost-Grants
5728 0007	Supply Catalog	5899 0099	Ind Cost Distribute Offs
5728 0014	Partic. Fees - ISD's Out County	<u>Federal Revenues</u>	
5728 0016	Partic. Fees - Other Out County	5929 0000	Fed Rev-TEA Distributed
5728 0150	Contracted Services - ISD's	5932 0000	Medicaid Adm Claim (MAC)-ECI
5729 0000	Misc Tuit & Fees-In County	5939 0000	Fed Rev-State Agency Distributed
5729 0001	Misc Tuit & Fees-Out of County	5949 0000	Fed Rev-U.S. Govt Direct
5729 0003	Digitizing Fees - In County	5949 0001	Fed Revenue-USDA
5729 0004	Digitizing Fees - Out of County	5999 0001	Ind Cost-Fed Adult Ed Reg
5729 0005	Membership Fees - RMS	5999 0006	Ind Cost-HS Jan-Aug
5729 0006	Membership Fees - Out of County	5999 0007	Ind Cost-HS Sept-Dec
5729 0150	Contracted Services - Other	5999 0008	Ind Cost-Adult Ed TANF
<u>Local Revenues-Tuition &amp; Fees from Entities</u>		5999 0023	Ind Cost-21st Century Cycle 8
<u>Other than School Districts</u>		5999 0035	IC Adult Ed TWC Grant
5736 0000	Fees for Services	5999 0042	IC-21st Century Cycle 9
5737 0000	Staff Developmnt Revenues	5999 0099	Ind Cost - Distrib Offset
5739 0000	Misc Tuition & Fees Revenues	5999 0106	IC-EHS/CCP Jan-Aug DHHS
		5999 0107	IC-EHS/CCP

## HARRIS COUNTY DEPARTMENT OF EDUCATION

### Expenditure Codes with Descriptions

This is the list of account codes customized for use in HCDE only. There is a more comprehensive listing of account codes and definitions from TEA, also available with the Business office.

#### Payroll Costs 61XX-XXXX

**You may NOT amend the accounts in 61XX Class without first contacting the Business Office.  
All 61XX-XXXX codes are for HCDE employees only.**

- 6112 0000 Teacher Substitutes  
Pay teacher substitutes when teachers are absent due to sickness, jury duty, staff development, etc.
- 6113 0000 Stipends  
Pay lump sum for teachers performing extra duties, such as tutoring, or after-school programs.
- 6114 0000 Recruitment Incentives  
Used in hiring new teachers- Used only Human Resources
- 6115 0000 Salaries - Professional Part-Time  
Pay salaries for professional employees who are working part-time.
- 6116 0000 Salaries-Summer Pay  
Payment of salaries during the summer.
- 6117 0000 In-service Pay-Professional  
Payment of non-instructional extra pay to professional instructors.
- 6118 0000 Instructors-P/T Degreed  
Salaries to part-time instructors with degrees.
- 6119 0000 Salaries - Professional Personnel  
Salaries expense for teachers, counselors, principals, assistant principals, librarians, nurses, and other professional employees.
- 6121 0000 Overtime  
Payment to any employee authorized to work overtime.
- 6122 0000 Substitutes - Teacher Assts  
Pay substitutes when teacher assistants are absent due to sickness, jury duty, staff development, etc.
- 6123 0000 In-service Pay-Aides  
Payment of non-instructional extra pay to aides.
- 6124 0000 Salaries-Instructional Aides  
Payment of part-time wages to instructional aides.
- 6125 0000 Part-Time Help

## HARRIS COUNTY DEPARTMENT OF EDUCATION

### Expenditure Codes with Descriptions

This is the list of account codes customized for use in HCDE only. There is a more comprehensive listing of account codes and definitions from TEA, also available with the Business office.

Pay for part-time instructors teaching classes, clerical and support staff substitutes and additional help in the office. For outside Temporary Services, use 6215-0000.

- |      |      |   |
|------|------|---|
| 6126 | 0000 | Wages-Summer Pay-Aides<br>Payment of wages during the summer.   |
| 6127 | 0000 | Wages-Custodial Staff<br>Pay wages of custodial staff employees.  |
| 6128 | 0000 | Wages-Technical Staff<br>Pay salaries of technical staff employees.   |
| 6129 | 0000 | Wages - Support Staff<br>Pay salaries of support staff employees, such as administrative assistants, campus clerical staff, and other clerical support staff. |
| 6139 | 0000 | Employee Allowances<br>Payment of employee allowances.  |
| 6141 | 0000 | FICA / Medicare<br>Social Security and Medicare employer contribution.  |
| 6142 | 0000 | Group Health & Life Insurance<br>This is the Department's portion of the Health Insurance Plan.   |
| 6143 | 0000 | Workers Compensation<br>Workers' Compensation expenditures for Department employees.  |
| 6144 | 0000 | Teacher Retirement System (TRS) On-Behalf Payments<br>Represents payments into TRS from the State on behalf of the Department.                                |
| 6145 | 0000 | Unemployment Compensation<br>Payment of unemployment benefits for employees that have left the Department.  |
| 6146 | 0000 | Teacher Retirement System<br>Payments to Texas Retirement System-ALL FEDERAL GRANT PROGRAMS.<br>GENERAL FUND: FIRST 90 DAYS NEW EMPLOYEES.                    |
| 6147 | 0000 | TRS Care Administration Fee<br>Payment of TRS Care administrative fee charges required by the State.  |
| 6148 | 0000 | Cafeteria Plan Administration Fee<br>Fee that covers the cost of administering the cafeteria plan.  |
| 6149 | 0000 | Employee Assistance Plan<br>Fee for the cost of the Employee Assistance Program.  |

# HARRIS COUNTY DEPARTMENT OF EDUCATION

## Expenditure Codes with Descriptions

This is the list of account codes customized for use in HCDE only. There is a more comprehensive listing of account codes and definitions from TEA, also available with the Business office.

6199 0000 Retirement Leave Benefits  
Payment of sick leave and personal leave remaining upon retirement.

### Professional & Contracted Services 62XX-XXXX

6211 0000 Legal Services  
Payment of attorney fees for legal work done for the Department.  
**FOR BUSINESS SERVICES USE ONLY. DO NOT AMEND.**

6212 0000 Audit Services  
Payment of audit services used by the Department, such as the annual audit of financial records.

6213 0000 Tax Appraisal and Collection Fees  
Payment of tax appraisal and collection fees assessed by Harris County Appraisal District based on the Department's property values and Harris County Tax Office.

6214 0000 Security Services  
Payment for security services at the Administration building and the campuses.

6215 0000 Temporary Services  
Payment for temporary services from outside employment agencies.

6219 0000 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  
Landscape architecture          Professional engineering  
Land surveying                    Real estate appraising  
Medicine                            Professional nursing  
Accounting (audit services belong in object code 6212). These professionals are required to be licensed or registered with the state. Professional services are delivered by an independent contractor (individual, entity or firm) that offers its services to the public. Such services are paid on a fee basis for specialized services that are usually considered to be temporary or short-term in nature, normally in areas that supplement the expertise of the school district. This includes all related expenditures/expenses covered by a professional services contract, if the contracted service is not detailed in object codes 6211 through 6214.

**6225 0000 Lobbying**  
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 considered lobbying.

6239 0000 Media Fees-Region IV ESC  
Payment of contracted media services from the service center.

## HARRIS COUNTY DEPARTMENT OF EDUCATION

### Expenditure Codes with Descriptions

This is the list of account codes customized for use in HCDE only. There is a more comprehensive listing of account codes and definitions from TEA, also available with the Business office.

- 6243 0000 Contracted Maintenance & Repair - Disaster Recovery  
Payment of contracted services for normal upkeep, repairs, maintenance and renovation of the disaster recovery system.
  
- 6244 0000 Contracted Maintenance & Repair - Electrical  
Payment of contracted services for normal upkeep, repairs, maintenance, and renovation of all electrical pertaining to buildings.
  
- 6245 0000 Contracted Maintenance & Repair - Networks  
Payment of contracted services for normal upkeep, repairs, maintenance, and renovation of data processing equipment. This includes data drops and data cabling installation made by outside companies.
  
- 6246 0000 Contracted Maintenance & Repair - Buildings & Grounds  
Payment for normal upkeep, maintenance, and renovation of buildings and grounds, including repairs to elevators, buildings, heating and cooling components, electrical, plumbing, fire equipment and liquid waste removal.
  
- 6247 0000 Contracted Maintenance & Repair - Vehicles  
Payments for normal upkeep, maintenance, and renovations of vehicles.
  
- 6248 0000 Contracted Maintenance & Repair - Equipment  
Payments for normal upkeep, maintenance, and renovation of equipment.
  
- 6249 0000 Contracted Maintenance & Repairs - All  
Payments for the normal upkeep, maintenance, and renovation of other equipment, including copier maintenance agreements.
  
- 6255 0000 Utilities-Water  
Payments for water usage, wastewater treatment and garbage disposal.
  
- 6256 0000 Telephones, Cell & Pagers  
Payment of telephone and telecommunication charges, including monthly phone line charges, cellular phones, pagers, local area and wide area network connection charges.
  
- 6257 0000 Utilities-Electricity  
Payments of monthly electricity usage.
  
- 6258 0000 Utilities-Gas  
Payment of monthly natural gas usage.
  
- 6259 0000 Data Lines-Technology  
Payments for data lines and other utilities not listed in the 625X series.



## HARRIS COUNTY DEPARTMENT OF EDUCATION

### Expenditure Codes with Descriptions

This is the list of account codes customized for use in HCDE only. There is a more comprehensive listing of account codes and definitions from TEA, also available with the Business office.

- 6264 0000 Improvement-Leased Property  
Payment of improvements made to leased property.
- 6265 0000 Rental Space-Events  
Payment of rental space for events and conferences.
- 6266 0000 Leases & Rentals-Equipment  
Payment of the leasing and/or rental of equipment.
- 6267 0000 Rentals-Buses  
Payment for bus rentals.
- 6268 0000 Leases & Rentals-Buildings  
Payment for building rentals and leasing of office space.
- 6269 0000 Leases & Rentals-Copiers  
Payment of copier leases and rentals.
- 6291 0000 Consulting Services  
Payment for consultants not included in 6219-0000
- 6298 0000 Microfilm Services  
Payment of contracted microfilming services.
- 6299 0000 Miscellaneous Contracted Services -  
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.  
Payment of all contracted services not listed in above 629X series.

### Supplies & Materials 63XX-XXXX

- 6311 0000 Gasoline & Other Fuels  
Purchase of gasoline, motor oil and other fuels needed to operate vehicles and machinery.
- 6315 0000 Building Supplies & Materials  
Payment for supplies and materials used to maintain and operate Department buildings, including telecommunications, extermination, air conditioning, heating and electrical, plumbing, roof repair, and fire equipment.
- 6317 0000 Vehicle Parts & Supplies  
Payment for parts and materials used to maintain and operate vehicles.
- 6318 0000 Custodial Supplies & Materials  
Charges to campuses for custodial supplies.

# HARRIS COUNTY DEPARTMENT OF EDUCATION

## Expenditure Codes with Descriptions

This is the list of account codes customized for use in HCDE only. There is a more comprehensive listing of account codes and definitions from TEA, also available with the Business office.

- 6319 0000 Maintenance Supplies  
Supplies needed to maintain and operate Department equipment and buildings; everything not listed in the above 631X series.
  
- 6321 0000 Textbooks  
Textbooks used by the Department and furnished free to students.
  
- 6329 0000 Reading Materials  
Purchase of reading materials, including reference books, subscriptions for periodicals and magazines and other reading materials.
  
- 6339 0000 Testing Materials  
Purchase of student testing materials, including testing forms, booklets, tutorial materials and books.
  
- 6341 0000 Food Purchases for Cafeterias  
**Special Schools & Head Start Only** - Purchase of food used to feed students food prepared in kitchens or cafeterias at their locations. Includes Head Start students Use 6398 for purchasing of snacks or drinks for after school programs or classrooms. Use 6418 for refreshments at meetings.
  
- 6342 0000 Non-Food-Kitchen Supplies  
**SP Schools & Head Start Only.** Purchase of non-food items, such as napkins, brooms, straws, small equipment purchases, marketing materials, and any other non-food items. All other campuses and divisions should use 6399 for these items.
  
- 6344 0000 USDA Commodities  
Purchase of USDA commodities for the Head Start Program.
  
- 6391 0000 Instructional Materials  
Purchase of classroom and instructional supplies and materials, including pens, pencils, paper, workbooks and other classroom items.
  
- 6392 0000 Records Storage Boxes from Records Management Services  
Purchase of records storage boxes needed by Records Management division.
  
- 6393 **0001** New Purchase-Equipment <\$5,000  
Purchase of equipment whose unit cost is less than \$5,000. Items less than \$1,000 unit cost should be charged to 6399 General Supplies.
  
- 6393 **0002** New Purchase-Technology <\$5,000  
Purchase of technology equipment whose unit cost is less than \$5,000. Items less than \$1,000 unit cost should be charged to 6399 General Supplies.
  
- 6393 **0003** New Purchase-Furniture <\$5,000  
Purchase of furniture whose unit cost is less than \$5,000. Items less than \$1,000 unit cost should be charged to 6399 General Supplies.

## HARRIS COUNTY DEPARTMENT OF EDUCATION

### Expenditure Codes with Descriptions

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- 6393   **0004**   New Purchase-Other <\$5,000  
Purchase of equipment other than above whose unit cost is less than \$5,000.  
Items less than \$1,000 unit cost should be charged to 6399 General Supplies.
- 6394   **0001**   Replacement-Equipment <\$5,000  
Purchase of replacement equipment whose unit cost is less than \$5,000.  
Items less than \$1,000 unit cost should be charged to 6399 General Supplies.  
**BUDGET ACCESS BY BUSINESS SERVICES ONLY**
- 6394   **0002**   Replacement-Technology <\$5,000  
Purchase of replacement technology equipment whose unit cost is less than \$5,000.  
Items less than \$1,000 unit cost should be charged to 6399 General Supplies.  
**BUDGET ACCESS BY BUSINESS SERVICES ONLY**
- 6394   **0003**   Replacement-Furniture <\$5,000  
Purchase of replacement furniture whose unit cost is less than \$5,000.  
Items less than \$1,000 unit cost should be charged to 6399 General Supplies.  
**BUDGET ACCESS BY BUSINESS SERVICES ONLY**
- 6394   **0004**   Replacement-Other <\$5,000  
Purchase of other types of equipment whose unit cost is less than \$5,000.  
Items less than \$1,000 unit cost should be charged to 6399 General Supplies.  
**BUDGET ACCESS BY BUSINESS SERVICES ONLY**
- 6395   0000   Copier Charges  
Charges for copier usage per division.
- 6396   0000   Printing & Forms  
Charges for printing and pre-printed forms.
- 6397   0000   Software Purchases  
Purchase of computer software including site license, applications, and anything associated with the software.
- 6398   0000   Food-Classrooms on Campus  
Purchase of snacks/food for students at the campus classroom level.
- 6399   0000   General Supplies  
Purchase of general supplies and materials not listed above in the 639X series, including supplies for a satellite dish, technology supplies and any other supplies.
- 6399   0006**  
Purchases under \$1,000 such as Projectors, Computers, Laptops, Tablets  
Monitors, TV's, Printers and Scanners over \$500 unit cost. Still tagged with eFinance.

## HARRIS COUNTY DEPARTMENT OF EDUCATION

### Expenditure Codes with Descriptions

This is the list of account codes customized for use in HCDE only. There is a more comprehensive listing of account codes and definitions from TEA, also available with the Business office.

#### Miscellaneous Operating Costs 64XX-XXXX

- 6411 0000 Employee Travel-Lodging  
Payment of lodging expenses associated with employee business travel outside the county. Lodging in the HCDE service area is not typically allowed. Discuss with the CFO. Refer to allowable travel reimbursement expenses.
- 6412 0000 Employee Travel-Meals  
Payment of employee meal expenses associated with employee travel.
- 6413 0000 Employee Travel-Transportation  
Payment of airline fares and mileage associated with out of town employee travel. Covers the cost of an airline ticket or total mileage driven to and from the conference/seminar city. Local miles driven inside the city to/from campuses and other districts should be charged to Object Code 6417-In County Mileage.
- 6414 0000 Employee Travel-Conference Registration Fees  
Payment of or reimbursement for out-of-town conference registration fees. Use 6494 for local training or workshop fees.
- 6415 0000 Food-Business Meetings  
Payment of food for various working meetings such as the cabinet meeting, steering committees, division retreats, trainings, workshops, and business meals with HCDE clients.
- 6416 0000 Food-Receptions  
Payment of food for various receptions held at the Department for retirements, holiday festivities, Board Member Recognition, etc.  
**UNALLOWABLE: Division celebrations for birthdays, holidays, etc. are not business expenses and will not be paid for by HCDE.**
- 6417 0000 Local Daily Mileage/Parking/Toll Charges  
Payment of local mileage travel within the Department service area for travel between campuses, other admin buildings, other business locations.  
Use code 6413 for mileage travel outside the county.
- 6418 0000 Refreshments-Meetings  
Payment for the cost of providing refreshments, such as coffee, tea, sodas, etc., and snacks at meetings, professional development, and training.
- Board Travel  
Payment for or reimbursement to board members for expenses incurred attending professional conferences and other travel on official HCDE business. Does not include any expenses for Board family members.
- 6419 0000 Board Travel-Lodging

## HARRIS COUNTY DEPARTMENT OF EDUCATION

### Expenditure Codes with Descriptions

This is the list of account codes customized for use in HCDE only. There is a more comprehensive listing of account codes and definitions from TEA, also available with the Business office.

6419 0001 Board Travel-Meals

6419 0002 Board Travel-Transportation

6419 0003 Board Travel-Conference Registration

Non-Employee Travel

Payment for or reimbursement to non employees for expenses incurred attending professional conferences and other travel allowed by Federal and State grants.

6419 0004 Non-Employee Travel-Lodging

6419 0005 Non-Employee Travel-Meals

6419 0006 Non-Employee Travel-Transportation

6419 0007 Non-Employee Travel-Conference Registration

**6421 0000 Public Notice**

This code is used to classify budgeted and actual expenditures for amounts paid by the school district or its representative to publish statutorily required public notices in a newspaper in accordance with Texas Local Government Code §140.0045

6427 0000 Auto Insurance

- 1) Payment of all types of insurance for HCDE vehicles; called BUSINESS AUTO or AUTOMOBILE.
- 2) Premium overpayments get deposited here.

6428 0000 Liability Insurance

- 1) Payment of all liability insurance, NOT including vehicles; called GENERAL or SCHOOL PROFESSIONAL LIABILITY.
- 2) Premium overpayments get deposited here.

6429 0000 Property Insurance & Bonding

- 1) Payment of property insurance premiums covering buildings, equipment, and any other property requiring insurance to safeguard the district's assets; called PROPERTY & CASUALTY, FLOOD INSURANCE.
- 2) Also bonding insurance costs for employees who deal with large sums of money; called BONDING, CRIME, COMMERCIAL CRIME, or E & O COVERAGE.
- 3) Premium overpayments get deposited here.

6427 **0001** Insurance Deductibles-Auto

Payments to insurance company for policy deductibles.

6428 **0001** Insurance Deductibles-Liability

## HARRIS COUNTY DEPARTMENT OF EDUCATION

### Expenditure Codes with Descriptions

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Payments to insurance company for policy deductibles.

6429 0001 Insurance Deductibles-Property

Payments to insurance company for policy deductibles.

6487 0000 Facility Support Charges

Charged to divisions based on square footage used or individual facility campus budget.

**FOR BUSINESS SERVICES USE ONLY. DO NOT AMEND.**

6488 0000 Respite Care

**USED BY ECI KEEP PACE PROGRAM ONLY.**

6489 0000 In Kind-Donated Services/Supplies

For recording any in-kind services and supplies received by the Head Start program.

6491 0000 Records Management Fees

Recording records storage fees charged to budgets by Records Management Services.

6492 0000 Permits & Fees

Payment of various fees required for maintaining the facilities.

6493 0000 Expenditures-Shared Service Arrangements

Payments for reimbursement of expenses incurred by school districts participating in a shared services arrangement with HCDE.

**FEDERAL OR STATE GRANTS ONLY.**

6494 0000 Workshop Registration Fees

Payment of local workshop and registration fees. Use 6414 for out of town workshop and registration fees.

6495 0000 Awards Recognition

Payments for plaques and other types of awards given to employees as service awards, incentive awards and retirement awards, for example.

Included here is the \$25 per employee recognition per fiscal year.

6496 0000 Advertising, Bids & Notices

Purchase of newspaper space to post bid notices, employment openings, and any other type of advertising.

6497 0000 Membership Dues

Payment of membership and organization dues and fees such as TASBO, TASA, TASB, etc.

6498 0000 Postage

Recording postage costs.

6499 0000 Miscellaneous Operating Costs



## HARRIS COUNTY DEPARTMENT OF EDUCATION

### Expenditure Codes with Descriptions

This is the list of account codes customized for use in HCDE only. There is a more comprehensive listing of account codes and definitions from TEA, also available with the Business office.

Payment of anything else not covered in the above 64XX series.

#### Debt Service Costs 65XX-XXXX

- 6511 0000 Bond Principal  
Payment to retire bond principal.
- 6519 0000 Debt Principal  
Payment to retire debt principal other than in 6511 above.
- 6520 0000 Bond Interest  
Payment of bond interest.
- 6529 0000 Interest Expense  
Payment of interest other than in 6520 above.
- 6599 0000 Other Debt Service Fees  
Payment of allowable fees related to debt service activity, including fiscal agent fees.

#### Capital Outlay 66XX-XXXX

- 6611 0000 Land Purchases  
Payment made for land purchases acquired by HCDE.
- 6619 0000 Land Improvements  
Payment of land purchase, land improvement other than buildings and associated fees, including costs necessary to alter the land for its intended use.
- 6621 0000 Buildings-Materials Other Than Construction  
Pay for supplies & materials not directly associated with building improvements.
- 6622 0000 Building Construction-Architect Fees  
Pay for architect fees associated with building renovations or erecting a building.
- 6623 0000 Building Construction-Demolition  
Pay for building demolition associated with the purchase of a previously owned building.
- 6627 0000 Building Construction-Fees  
Pay for permit fees and other fees associated with building a new building or renovations made to a purchased building.
- 6628 0000 Construction in Progress  
Expenditures of an on-going construction project not to be recognized as a capital asset until completion.
- 6629 0000 Building Purchase, Construction & Improvements  
Purchase of a building or for materials and labor to construct a new building,

## HARRIS COUNTY DEPARTMENT OF EDUCATION

### Expenditure Codes with Descriptions

This is the list of account codes customized for use in HCDE only. There is a more comprehensive listing of account codes and definitions from TEA, also available with the Business office.

including expenditures for substantial alteration or remodeling of existing buildings that materially increases the building life and/or usefulness. Also, architect fees and any other fees associated with building construction or purchase.

6631 0000 Vehicle Purchase >\$5,000  
Purchase of vehicles over \$5,000 unit cost and a useful life of more than one year.

6635 0000 Equipment Purchase >\$5,000  
Purchase of equipment over \$5,000 unit cost and a useful life of more than one year, including telephone systems, intercommunication and telecommunication systems, high-capacity copiers and large sized equipment.

6636 0000 Technology Purchase >\$5,000  
Purchase of technology equipment over \$5,000 unit cost and a useful life of more than one year, including mainframes and mini-computers.

6639 0000 Other Equipment Purchase >\$5,000  
Purchase of all other types of equipment over \$5,000 unit cost not listed in the 663X series. Also includes the purchase of mainframe computer software applications, such as a financial software package needed for accounting.

6644 0000 Replacement-Equipment >\$5,000  
Purchase of replacement equipment over \$5,000 unit cost.  
**FUND BALANCE RESERVE: BUDGET ACCESS BY BUSINESS SERVICES ONLY**

6645 0000 Replacement-Buildings >\$5,000  
Replacement of buildings over \$5,000 unit cost.  
**FUND BALANCE RESERVE: BUDGET ACCESS BY BUSINESS SERVICES ONLY**

6646 0000 Replacement-Technology Equipment >\$5,000  
Purchase of replacement technology equipment over \$5,000 unit cost.  
**FUND BALANCE RESERVE: BUDGET ACCESS BY BUSINESS SERVICES ONLY**

6647 0000 Replacement-Vehicles >\$5,000  
Purchase of replacement vehicles over \$5,000 unit cost.  
**FUND BALANCE RESERVE: BUDGET ACCESS BY BUSINESS SERVICES ONLY**

6648 0000 Replacement-Furniture >\$5,000  
Purchase of replacement furniture over \$5,000 unit cost.  
**FUND BALANCE RESERVE: BUDGET ACCESS BY BUSINESS SERVICES ONLY**

6649 0000 Replacement-Other Items >\$5,000  
Purchase of any other replacement items not listed above in the 664X series.  
**FUND BALANCE RESERVE: BUDGET ACCESS BY BUSINESS SERVICES ONLY**



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## Glossary Section







# Harris County Department of Education

## Glossary of Terms

**AB School** - Adaptive and Behavior School

**Account Code** – This is the second part of the eFinance Account Code. It is an eight-digit numerical sequence consisting of the 4-digit object code and 4-digit sub-object code used for accounting purposes. Follows the Budget Code. See **Object Code** and **Sub-object Code**.

**Account Number (Budget Number)** – Consists of the **Budget Code** and the **Account Code**; the numerical sequence necessary to reflect budget operations and conditions, such as estimate revenues, appropriations, and encumbrances, the net balance, and other related information.

**Accounting Period** – A period at the end of which and for which financial statements are prepared; for example, September 1 through August 31.

**Accrual Basis** – Accrual accounting attempts to records the financial effects on an enterprise of transactions and other events and circumstances that have cash consequences for an enterprise in the periods in which those transactions, events, and circumstances occur rather than only in the periods in which cash is received or paid by the enterprise. Accrual accounting is concerned with the process by which cash expended on resources and activities is returned as more (or perhaps less) cash to the enterprise, not just with the beginning and end of that process. It recognizes that the buying, producing, selling, and other operations of an enterprise during a period, as well as other events that affect enterprise performance, often do not coincide with the cash receipts and payments of the period.

**Adopted Tax Rate** – The total adopted rate is composed of a maintenance and operation rate (M&O) and a debt service rate (sometimes referred to as the Interest and Sinking, or I&S, rate). Rates are expressed per \$100 of taxable value.

**Allocation** – A part of a lump-sum appropriation, which is designated for expenditure by specific organization units and/or for special purposes, activities, or objects.

**Appraisal** – (1) The act of appraising; (2) The estimated value resulting from such action.

**Appraise** – To make an estimate of value, particularly of the value of property. Note: if the property is valued for purpose of taxation, the less-inclusive term “assess” is usually used.

**Appropriation** – Budget dollars that have been set aside for a particular use.

**Appropriation Account** – A budgetary account set up to record specific authorization to spend. The account is credited with original and any supplemental appropriations and is charged with expenditures and encumbrances.

**Arbitrage** – In the context of government finance, the reinvestment of the proceeds of tax-exempt securities in materially higher-yielding taxable securities.

**Assess** – To value property officially for the purpose of taxation. Note: the term is also sometimes used to denote the levy of taxes, but such usage is not correct because it fails to distinguish between the valuation process and the tax levy process.



**Assessed Valuation** – A valuation set upon real estate or other property by a government as a basis for levying taxes.

**Assets/Personal Property** – Property (fixed assets or capital assets) that is generally portable and owned by an entity (sometimes leased); which has a monetary value.

**Assets/Real Property** – Real estate or other property owned by an entity, which has a monetary value.

**Balanced Budget** – A budget with total expenditures not exceeding total revenues and monies available in the fund balance within an individual fund.

**Bill** – A term used to denote a law or statute passed by certain legislative bodies. A bill has greater legal formality and standing than a resolution.

**Board of Education** – The elected or appointed body that has been created according to State law and vested with responsibilities for educational activities in each geographical area. These bodies are sometimes called school boards, governing boards, school trustees, etc.

**Bond** – A written promise, generally under seal, to pay a specified sum of money, called the face value, at a fixed time in the future, called the date of maturity, and carrying interest at a fixed rate, usually payable periodically. The difference between a note and a bond is that the latter usually runs for a longer period and requires greater legal formality.

**Bonded Debt** – The part of debt which is covered by outstanding bonds. Sometimes called “Bonded Indebtedness.”

**Bonds Issued** – Bonds sold.

**Bonds Payable** – The face value of bonds issued and unpaid.

**Budget** – A plan of financial operation embodying an estimate of proposed expenditures for a given period or purpose and the proposed means of financing them.

**Budget Code** – This is the first part of the eFinance Account Code. It is fourteen digit numerical sequence consisting of the 3-digit fund code, 1-digit year code, 2-digit function code, 3-digit location code, 2-digit program code, and the 3-digit budget manager code, used to accounting purposes; precedes the **Account Code**. See **Fund Code**, **Function Code**, **Location Code**, **Program Code**, and **Budget Manager Code**.

**Budget Manager Code** – Denotes a program, purpose, or division applicable to the revenue or expenditure; part of the Budget Code: XXX-X-XX-XXX-XX-**XXX**.

**CAFR**-Comprehensive Annual Financial Report

**Capital Asset** – Same as **Fixed Asset**. Usually depreciated in governmental accounting

**Capital Budget** – A plan of proposed capital outlays and the means of financing them for the fiscal period. It is usually a part of the current budget. A capital program is sometimes referred to as a capital budget.

**Capital Outlay** – Expenditures which result in the acquisition of or addition to fixed assets. A fixed asset is defined as a tangible item whose expected useful life is over one year and whose value is more than \$1,000 and less than \$5,000 per item. It is not depreciated. A capital asset is defined as a tangible item (fixed asset) whose expected useful life is over one year and whose value exceeds \$5,000 per item. It is depreciated if applicable.

**Capital Expenditure** – charges for the acquisition at the delivered price including transportation, costs of equipment, land, buildings, or improvements of land or buildings, fixtures and other permanent improvements of land or buildings, fixtures, and other permanent improvements with a value in excess of \$5,000 and a useful life expectancy of greater than 1 year.

**Capital Project** – A plan for capital expenditures to be incurred each year over a fixed period of years to meet capital needs arising from the long-term work program. It sets forth each project or other contemplated expenditure in which the local education agency is to have a part and specifies the full resources estimated to be available to finance the projected expenditures.

**CASE – Cooperative for After School Enrichment** – A division of Harris County Department of Education formed in 1999, to mobilize the community to work together to ensure that every child in Harris County has access to an after-school program.

**CDA** – A HCDE investment policy that covers all financial assets under the direct control of the Department. Transactions involving the purchase, sale, and maintenance of all Department financial investments are included within the jurisdiction of this policy.

**CGD – Center for Grant Development** – A program in HCDE's Resource Development Division.

**CH** – A HCDE policy in which the Board delegates to the Superintendent or the Superintendent's designee the authority to determine the method of purchasing, in accordance with CH(LEGAL), and to make budgeted purchases. However, any purchase that costs or aggregates to a cost of \$50,000 or more shall require Board approval before a transaction is culminated.

**Community Services** – Those services, which are provided for the community, or some segment of the community and the activities are other than regular public education and adult basic education services.

**Consultant** – A resource person who aids the regular personnel through conference, demonstration, research, or other means.

**Contracted Services** – Labor, material, and other costs for services rendered by personnel who are not on the payroll of the local education agency.

**CSSS**-Center for Safe and Secure Schools

**Current** – As used in this manual, the term has reference to the fiscal year in progress.

**Current Budget** – The annual budget prepared for and effective during the present fiscal year.

**Current Year's Tax Levy** – Taxes levied for the current fiscal period.

**Debt** – An obligation resulting from the borrowing of money or from the purchase of goods and

services. Debts of local education agencies include bonds, warrants, and notes, etc.

**Debt Service Fund** – A fund used to account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest on all bonds.

**Deficit** – The excess of the expenditures of a fund over the fund's resources.

**Delinquent Taxes** – Taxes remaining unpaid on and after the date on which they become delinquent by statute.

**Depreciate/Depreciation** – [Verb] to consider something as having less value each year over a fixed period, for the calculation of income tax; [Noun] the amount or percentage by which something decreases in value over time, usually one year.

**Designated Fund Balance** – Management's intended use of available expendable financial resources in governmental funds reflecting actual plans approved by the Education Board.

**Direct Debt** – Debt that is to be repaid by the reporting government itself rather than by an overlapping or underlying government.

**EDGAR** – the **Electronic Data Gathering, Analysis, and Retrieval** system, performs automated collection, validation, indexing, acceptance, and forwarding of submissions by companies and others who are required by law to file forms with the [U.S. Securities and Exchange Commission](#) (the "SEC"). The database is freely available to the public via the Internet.

**EFT – Electronic Funds Transfer** – Electronic payments and collections.

**Effective Tax Rate** – tax rate that will impose the same total taxes as last year if you compare properties taxed in both years. This tax rate will now be recognized as “no-new-revenue tax rate” (**NNRR**)

**Encumbrance** – Commitments related to unperformed contracts for goods or services.

**Enterprise Fund** – Proprietary fund type used to report an activity for which a fee is charged to external users for goods and services.

**FASRG – Financial Accountability System Resource Guide** – Describes the rules for financial accounting for Charter Schools, Education Service Centers and School Districts. Texas Administrative Code (TAC) §109.41.

**Fiduciary Funds** – A category of funds used to report assets held in a trustee or agency capacity for others and which therefore cannot be used to support the government's own programs. The fiduciary fund category includes pension (and other employee benefit) trust funds, investment trust funds, private-purpose trust funds, and agency funds.

**Final Amended Budget** – Term used in connection with budgetary reporting. The original budget adjusted by all reserves, transfers, allocations, supplemental appropriations, and other legally authorized legislative and executive changes applicable to the fiscal year, whenever signed into law or otherwise legally authorized.

**Financial Resources** – Resources that are or will become available for spending.

**Fiscal Year (FY)** – A twelve-month period to which the annual budget applies and at the end of which the entity determines its financial position and the results of its operations.

**Fixed Asset** – A permanently owned thing; an asset of a business that is central to its operation and is not traded. Usually not depreciated in governmental accounting.

**Food Service** – Function 35; those activities that have as their purpose the preparation and serving of regular and incidental meals, lunches, or snacks in connection with school activities.

**Full-time Equivalent (FTE)** – is a ratio that represents the number of hours that an employee works compared to 40 hours.

**Function Code** – As applied to expenditures, this term has reference to an activity or service aimed at accomplishing a certain purpose; for example, Instruction, Administration, etc.; part of the **Budget Code**: XXX-X-XX-XXX-XX-XXX.

**Fund** – A sum of money or other resources set-aside for specific activities of a school district. The fund accounts constitute a complete entity and all the financial transactions for the fund are recorded in them.

**Fund Code** – 3-digit code assigned to accounts for funds with separate purposes, part of the **Budget Code**: XXX-X-XX-XXX-XX-XXX.

**Fund Balance** – The difference between assets and liabilities reported in a governmental fund.

**Fund Balance:**

**Assigned** – Amounts constrained by the state 's intent to be used for specific purposes, but are neither restricted nor committed, should be reported as assigned fund balance. Intent should be expressed by the Texas Legislature, or a body (a budget or finance committee, for example) or official to which the governing body has delegated the authority to assign amounts to be used for specific purposes.

**Unassigned** – represents fund balance that has not been assigned to other funds and has not been restricted, committed or assigned to specific purposes within the general fund

**Committed** – Amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the government's highest level of decision-making authority (the Texas Legislature)

**Restricted** – constraints placed on the use of resources are either: Externally imposed by creditors (such as through debt covenants), grantors, contributors or laws or regulations of other governments; or imposed by law through constitutional provisions or enabling legislation.

**Non-Spendable** – classification includes amounts that cannot be spent because they are either: Not in spendable form, or legally or contractually required to be maintained intact.

**GASB – Governmental Accounting Standards Board** – An independent organization that establishes and improves standards of accounting and financial reporting for U.S. state and local governments.

**General Fund** – A fund used to finance the ordinary operations of the local education agency. It

Is available for a legally authorized purpose and consists of money not specifically designated for some other particular purpose.

**GFOA – Government Finance Officers Association** – An association that educates professionals about financial policy, best practices, education, training, networking, and leadership.

**Governmental Funds** – A generic classification used by the GASB to refer to all funds other than proprietary and fiduciary funds. The General Fund, special revenue funds, capital projects funds, debt service funds, and permanent funds are the types of funds referred to as *governmental funds*.

**Grant** – A contribution, either money or material goods, made by an outside entity or a governmental unit to another unit and for which the contributing unit expects no repayment. Grants may be for specific or general purposes.

**HCAD – Harris County Appraisal District** – Establishes the appraisal value of property within Harris County. This is done to allocate taxes fairly among all taxpayers.

**HCDE**-Harris County Department of Education

**HCOEM – Harris County Office of Emergency Management** – Helps prepare the residents and property of Harris County for disasters with training, education, and preparedness.

**HCTO – Harris County Tax Office** – Manages automobile registration, titling, property tax services, and voter registration for Harris County.

**Internal Service Funds** – Proprietary fund type that may be used to report any activities that provides goods or services to other funds, departments, or agencies of the primary government and its component units, or to other governments, on a cost-reimbursement basis.

**I & S Tax** – Interest and sinking is a term that is used interchangeably with debt service fund in discussing the components of the tax rate.

**IRB – Institutional Review Board** – A committee designated to review, monitor, and approve research involving humans.

**ISS**-Instructional Support Services

**ITB – Invitation to Bid** – A request made by a purchaser to prospective suppliers for their competitive price quotations on goods or services.

**Location Code** – Denotes the physical address of the revenue or expenditure, part of the Budget Code: XXX-X-XX-XXX-XX-XXX.

**Levy** – [Verb] To impose taxes or special assessments. [Noun] The total of taxes or special assessments imposed by a governmental unit.

**Major Fund** – Governmental fund or enterprise fund reported as a separate column in the basic fund financial statements and subject to separate opinion in the independent auditor's report,

**M & O Tax** – Maintenance and operations is a term that is used interchangeably with general fund in discussing the components of the tax rate.

**Modified Accrual Basis** - Under the modified accrual basis of accounting, required for use by governmental funds, revenues are recognized in the period in which they become available and measurable, and expenditures are recognized at the time a liability is incurred pursuant to appropriation authority.

**No-New-Revenue Rate (“NNRR”)** – It replaced the Effective Tax Rate which is the tax rate that will impose the same total taxes as previous year if you compare properties taxed in both years.

**Nominal Rate** – the rate that appears on the tax bills

**Object Code** – As applied to expenditures, this term has reference to an article or services received; for example, payroll costs, or purchased and contracted services; part of the Account Code: **XXXX-XXXX**.

**Operating Funds** – Operating funds are used to pay for the day-to-day expenses of the Department. Those expenses include salaries, benefits, utilities, supplies, etc. They do not include construction, renovations and building maintenance, which are included under Internal service funds, and it does not include Federal Grants funded programs administered by the Department which are included under Special Revenue Funds.

**Other Resources** – An increase in current financial resources that is reported separately from revenues to avoid distorting revenue trends.

**Other Uses** – A decrease in current financial resources that is reported separately from expenditures to avoid distorting expenditure trends.

**P** – Reference point for “Projected”.

**PAFR** – Popular Annual Financial Report

**EFinance Account Code** – The EFinance Account Code is divided into two codes: The Budget Code (14-digit numerical sequence) and the Account Code (an 8-digit numerical sequence) these are both further described in this glossary.

**Principal of Bonds** – The face value of bonds.

**Professional Staff** – This is a full-time equivalent count of teachers, professional support staff, campus administrators, and central administrators.

**Program Code** – The definition of an effort to accomplish a specific objective or objectives consistent with funds or resources available; part of the Budget Code: **XXX-X-XX-XXX-XX-XXX**.

**Proprietary Fund** - Sometimes referred to as *income-determination, business-like, or commercial-type* fund of state or local government. Examples are enterprise funds and internal service funds.

**PFC** – stands for Public Facility Corporation



**QZAB – Qualified Zone Academy Bonds** – A Federal Grant Program that provides funding for schools to renovate building and developing curricular.

**Refunding** – The issuance of new debt whose proceeds are used to repay previously issued debt. The proceeds may be used immediately for this purpose or they may be placed with an escrow agent and invested until they are used to pay principal and interest on the old debt at a future time.

**Reimbursement** – Cash or other assets received as a repayment of the cost of work or services performed, or of other expenditures made for or on behalf of another governmental unit or department, or for an individual, firm, or corporation.

**Reserve** – An amount set aside for a specified purpose, or an account which records a portion of the fund balance that is to be segregated for some future use and, therefore, is not available for further appropriation and expenditure.

**Rollback Rate** – tax rate is the highest tax rate the taxing unit can set before taxpayers can start tax rollback procedures. This rate will now be recognized as “voter-approval tax rate” (**VAR**), after House Bill 3.

**Sinking Fund** – See Debt Service Fund

**Special Education** – This refers to the population served by programs for students with disabilities.

**Special Revenue Fund** – A governmental fund type used to account for the proceeds of specific revenue sources (other than for major capital projects) that are legally restricted to expenditures for specific purposes.

**Sub-object Code** – A subdivision within an expenditure object classification.

**TASB – Texas Association of School Boards** – A nonprofit statewide educational association that serves and represents local Texas school districts.

**TEA** – Texas Education Agency.

**TMS**-Travel Management System

**TRS** – The **T**eacher **R**etirement **S**ystem of Texas is a public employee retirement system that is a multiple employer defined benefit pension plan. Based on salary and wages, for FY 2020-21 State law provides for a

- Member Retirement Contribution 7.7%
- TRS-Care Contribution for Member .65% and for Reporting Entity .75%
- State or Federal grant contribution rate of 7.5%
- Federal TRS-Care 1.25%
- Public Education Employer Contribution (formerly RE Payment for Non-OASDI Members: 1.5%
- Pension Surcharge: 15.2% and
- TRS-Care Surcharge \$535

**Tax Rate Components** – See **I & S Tax** (Interest and sinking) **M & O** (Maintenance and Operations) **Tax**.

**Taxes** – Compulsory charges levied by a governmental unit for the purpose of financing services performed for the common benefit.

**Unreserved and Undesignated Fund Balance** – Available expendable financial resources in a governmental fund that are not the object of tentative management plans.

**Voter-approval Rate (“VAR”)**: It replaced the Rollback Rate tax rate which is the highest tax rate the taxing unit can set before taxpayers can start tax VAR procedures.

**WMS**-Workshop Management System.



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It is the policy of Harris County Department of Education not to discriminate on the basis of race, color, national origin, gender, limited English proficiency, or handicapping condition(s) in its programs.

The Harris County Department of Education (HCDE) is dedicated to providing high-quality, cost-effective educational services to school districts, educators, government and non-profit organizations in Harris County.

Through schools for students with profound special needs, Head Start early childhood education, school-based therapy services and afterschool programs, HCDE supports all area school districts in meeting the needs of uniquely challenged learners while saving them millions of dollars each year through shared services. The Department is an innovative leader of literacy and workforce development programming for adult learners across the county. HCDE also provides various other educational support services including professional development for educators, school safety programs, educator certification, records management, and a national purchasing cooperative.

HCDE impacts an average of 150,000 students and educators each year. Using fees for service, grants, and the purchasing cooperative, HCDE turns one dollar of property taxes into five dollars of services.

HCDE is separate and distinct from other agencies of Harris County. The Department's primary service area covers 1,788 square miles but also provides support to school districts, education service centers and other governmental agencies across Texas and the nation.

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