

2020-2021

The Business Center Handbook



The Business Center Handbook

The Business Center at Education Service Center Region 11 utilizes a business model that streamlines and facilitates sound business procedure and practice. The following handbook outlines the services provided and the forms and procedures that must be followed by school districts, charter schools, and business center personnel. Our ultimate goal at ESC Region XI is to establish and maintain a business system for our clients that can be followed and maintained at a high level, regardless of changes in personnel.

Services

Under the Basic Services Package, the ESC Region 11 Business Center processes finance and payroll transactions as described below. This means, simply, that we process data exactly as the school district/charter school submits it, concerning payroll or finance. The Business Services Center **does not** act as the business manager or chief financial officer for the school district/charter school. The accuracy of the coding, payroll amounts, payroll deductions, federal fund NOGA requirement compliance, and finance check amount is the sole responsibility of the school district/charter school. ESC Region 11, however, will make every effort to advise the school district/charter school in the event that we discover an error; Under the Full Service Package, ESC Region 11 will now offer additional finance and payroll assistance and training in regards to budgeting and Summary of Finance. In addition, Business Manager services are available upon request for additional fees. Please submit the appropriate form provided in Appendix A:

Finance	
District/Charter Responsibility	ESC Region 11 Business Center Responsibility
<p style="text-align: center;"><u>Budget Processing</u></p> <p>The school district/charter school can input the preliminary budget on site. This requires setup and access in the finance software. The service center provides training, for a nominal fee, to school district/charter school personnel who are not familiar with the system. It is the fastest and most efficient method of entry.</p> <p>In the event that the school district/charter school does not have the capability or does not wish to input its preliminary budget on site, the preliminary budget can be submitted to the Business Center for data entry by adhering to the following procedures:</p> <ul style="list-style-type: none"> • Submit the data on the budget form provided with complete coding and amounts. • Include both revenue and expenditure amounts for all funds that you wish entered. • Submit data in order by fund/function/object code. <p>Submit no later than three (3) business days after Board approval of new budget.</p>	<p style="text-align: center;"><u>Budget Processing</u></p> <p>The Business Center will:</p> <ul style="list-style-type: none"> • Provide data entry upon request. • Provide any preliminary budget or budget reports that the school district/charter school requests (Report Types are Line Item, By Fund/Function, By Fund/Object Code, By Fund/Organization, or By Fund/Program Intent.) • Make budgets available in next year finance within five (5) business days following receipt of notification of approval by school district/charter school board. • Post all fiscal year budget amendments.

Finance

District/Charter Responsibility	ESC Region 11 Business Center Responsibility
<p style="text-align: center;"><u>Cash Receipt Processing</u></p> <p>For local funds and federal funds not paid through the Texas Education Agency (TEA), school districts/charter schools must submit cash receipt data utilizing the Business Center “Cash Receipts Voucher Form” during the month that the revenue is received. Submit no later than three (3) business days after the date of deposit.</p>	<p style="text-align: center;"><u>Cash Receipt Processing</u></p> <p>The Business Center will:</p> <ul style="list-style-type: none"> • Post all funds listed on the Texas Education Agency (TEA) payment report to the general ledger in the month that payment is received. • Post all local funds and any other grant funds not paid through TEA to the general ledger based on data submitted by the school district/charter school on the “Cash Receipts Voucher Form.” • Draw down Federal and State Grant funds through Texas Education Agency TEASE Web site monthly so that they will be posted to the TEA payment report (if requested). • Reconcile cash receipts to the bank statement monthly • Provide the school district/charter school with a monthly cash receipt journal. • Allow three (3) business days for processing.
<p><u>Purchase Order and Vendor Payment Processing</u></p> <p>School districts/charter schools may submit requisitions and create purchase orders utilizing the Purchasing package of the finance software for an additional fee. Note: This is not practical if the school district/charter school issues a small number of monthly checks to vendors. This creates an encumbrance and later purchase order with correct coding to the general ledger. The ESC provides training, for a nominal fee, to district/charter school personnel who are not familiar with the system.</p> <p>School districts/charter schools not utilizing the Purchasing system must submit to the Business Center a Requisition Purchase Order Form with complete coding, vendor information, P.O. number, and amounts.</p> <ul style="list-style-type: none"> • School districts/charter schools may submit payment authorization requests utilizing the Business Center “Payment Authorization Form” with complete coding, vendor information, and amounts. • Vendor additions and vendor information changes must be submitted utilizing the Business Center “New Vendor/Payee Form.” W-9 forms are the sole responsibility of the school district/charter school. • Allow three (3) business days for processing. 	<p style="text-align: center;"><u>Purchase Order and Vendor Payment Processing</u></p> <ul style="list-style-type: none"> • Process and enter payment authorizations and purchase order forms into the general ledger for payment. • Provide outstanding purchase order reports to school districts/charter schools (if applicable). • Allow three (3) business days for processing.

Finance

District/Charter Responsibility	ESC Region 11 Business Center Responsibility
<p style="text-align: center;"><u>Finance Check Processing</u></p> <ul style="list-style-type: none"> • Submit a copy of the invoice marked “OK to Pay,” which includes the purchase order number if applicable. • If utilizing a payment authorization, submit the Business Center “Payment Authorization Form.” • Allow three (3) business days from date of request. 	<p style="text-align: center;"><u>Finance Check Processing</u></p> <ul style="list-style-type: none"> • Post finance checks to the general ledger. • Print and return finance checks to the school district/charter school for distribution. • Provide a check register with checks to the school district/charter school. • Sign checks (if signatures are provided). • Bank reconciliation to the general ledger monthly and reported to the school district/charter school. • Allow three (3) business days from date of request.
<p style="text-align: center;"><u>General Ledger and Year-End Processing/Maintenance</u></p> <ul style="list-style-type: none"> • Submit all budget amendments utilizing the Business Center “Budget Amendment/Adjustment Form,” complete with coding and amounts. • Submit all journal entries utilizing the Business Center “Journal Voucher Form,” complete with proper coding, amounts, and a valid reason for the change. • Submit audit adjustments and opening entries as provided by school district/charter school auditor. • Allow three (3) business days for processing. 	<p style="text-align: center;"><u>General Ledger and Year-End Processing/Maintenance</u></p> <ul style="list-style-type: none"> • Post all journal entries. • Insure that all funds are in balance in the general ledger monthly prior to closing. • Close individual school district/charter school files monthly. • Enter audit adjustments and opening entries. • Provide end-of-month reports to school districts/charter schools in accordance with prior established time lines for board meetings. • Allow three (3) business days for processing.
<p style="text-align: center;"><u>Year End (Fiscal/Calendar) Processing</u></p> <ul style="list-style-type: none"> • Maintain W-9 documentation. • Provide list or vendors receiving 1099 if not system generated. 	<p style="text-align: center;"><u>Year End (Fiscal/Calendar) Processing</u></p> <ul style="list-style-type: none"> • Prepare 1099s at calendar year end and distribute to school districts/charter schools prior to January 31st. • Close out the fiscal year in the finance software. • Provide year-end reports to school districts/charter schools. • Provide quarterly summary W-9 reports.
<p style="text-align: center;"><u>Pre-Audit Preparation</u></p> <ul style="list-style-type: none"> • Request data files for auditor. • Request finance reports for auditors. • Allow a minimum of five (5) business days for processing and receipt. • Contact auditors to determine schedule and notify ESC Region 11. 	<p style="text-align: center;"><u>Pre-Audit Preparation</u></p> <ul style="list-style-type: none"> • Create data files and reports for the auditor. • Distribute data files and reports as requested to school districts/charter schools. • Allow a minimum of five (5) business days for processing and receipt.

Finance

District/Charter Responsibility	ESC Region 11 Business Center Responsibility
<p style="text-align: center;"><u>PEIMS Submission</u></p> <ul style="list-style-type: none"> Information is submitted to TEA by the school district/charter school (if the district/charter does not contract for PEIMS services through ESC Region 11). Review PEIMS data prior to transmission. Submit final approval of PEIMS data to TEA. 	<p style="text-align: center;"><u>PEIMS Submission</u></p> <ul style="list-style-type: none"> Extract budget and personnel data for fall PEIMS report. Extract audited fiscal finance data for mid-year PEIMS report. Reconcile audit and adjustments to the PEIMS data. Information is submitted to TEA (for Region XI districts/charters).

Payroll

The Business Center offers reliable, efficient, and cost-effective payroll services whereby we track and process your payroll and tax payments. As a part of this process, The Business Center performs the following payroll functions:

Payroll	
District/Charter Responsibility	ESC Region 11 Business Center Responsibility
<p style="text-align: center;"><u>Payroll Check Processing</u></p> <ul style="list-style-type: none"> Submit demographic data on new hires, new subs, and any changes such as address or last name. Gather substitute teacher information and absence data and submit to ESC Region 11 by fax or email five (5) business days prior to scheduled EFT/payroll check processing date. Provide any changes in payroll amounts for distributions or deductions on the “Payroll Change Form” five (5) business days prior to scheduled EFT/payroll check processing date. Submit supplemental, hourly, or stipend pay data for the pay period five (5) business days prior to scheduled EFT/payroll check processing date. Submit any W-4 status change notices from employees. Sign payroll and deduction checks, if applicable, and distribute. Insure cash is available at the bank for payroll expenses. 	<p style="text-align: center;"><u>Payroll Check Processing</u></p> <ul style="list-style-type: none"> Data enter employee information into payroll system, including payroll and employee leave transactions. Run payroll calculations. Print payroll checks. Prepare and submit electronic funds transfer file to bank. Checks and reports mailed to school. Sign payroll and deduction checks (if signatures are provided). Interface monthly payroll to finance. Submit monthly payroll taxes through EFTPs. Process supplemental payroll as required. Note: Additional supplemental payrolls will be billed according to the Business Center Contract Price List for current school year.
<p style="text-align: center;"><u>Deduction Processing Information</u></p> <ul style="list-style-type: none"> Provide employee voluntary deduction information immediately following open enrollment or date of hire. Provide deduction changes monthly (five business days prior to EFT/payroll check processing due date) after first notifying Third Party Administrator* of deduction change. Provide ESC Region 11 with TRS Active Care bill as soon as it is available. 	<p style="text-align: center;"><u>Deduction Processing Information</u></p> <ul style="list-style-type: none"> Maintain employee deduction information in TxEIS. Print payroll deduction checks. Balance deduction reports. <p style="font-size: small;"><i>*For school districts/ charter schools using Financial Benefit Services, please instruct employees to enroll for deductions online within 30 days of open enrollment (or hire date for new employees).</i></p>

Payroll

District/Charter Responsibility	ESC Region 11 Business Center Responsibility
<p style="text-align: center;"><u>Payroll Reporting</u></p> <ul style="list-style-type: none"> • Copy of the Basic Claim filed for prior month for Child Nutrition to ESC – due 1st of each month. • Provide copy of social security card for name changes for timely reporting of change to TRS. 	<p style="text-align: center;"><u>Payroll Reporting</u></p> <ul style="list-style-type: none"> • Prepare and submit monthly TRS reports utilizing TRAQS. • Submit wire for TRS utilizing TexNet. • Prepare and submit quarterly TWC and Unemployment reports through TASB/TWC Web site. • Prepare 941 reports and submit utilizing Telefile. • Perform and maintain all file backups.
<p style="text-align: center;"><u>PEIMS Reporting</u></p> <ul style="list-style-type: none"> • Information is submitted to TEA by the school district/charter school (if the district/charter does not contract for PEIMS services through ESC Region 11). • Submit final approval of PEIMS data to TEA. 	<p style="text-align: center;"><u>PEIMS Reporting</u></p> <ul style="list-style-type: none"> • Verify payroll-related data for Fall PEIMS Submission. • Verify payroll related data for Summer Submission. • Submission of Fall PEIMS file.
<p style="text-align: center;"><u>Year-End Processing</u></p> <ul style="list-style-type: none"> • Provide ESC Region 11 with payroll information for the following school year beginning in February of each year. This will include employee terminations, new hires, distribution changes, retirees, etc., to allow timely data entry for Next Year Payroll files. • Distribute W-2s to employees. 	<p style="text-align: center;"><u>Year-End Processing</u></p> <ul style="list-style-type: none"> • Enter and maintain information in Next Year Payroll files beginning in February of each year. • Interface Next Year Payroll salary and benefit information into the Budget system when requested by school. • Balance, prepare, and print W-2s at calendar year end. • Process the August accrual job, when applicable.

Base Pricing

To view base pricing information, see Business Center Contract Price List.

Other Services Available at an Additional Fee

Business Manager Services

- Includes on-site visits to train, assist and/or code purchase orders, budget amendments, and journal vouchers.
- Monitor compliance with special programs and federal and state grants.
- Monitor trial balances of all funds.
- Build and provide budget reports on-site.
- Review/assist with payroll coding of employees.
- Hourly rate or extended contract for services available upon request.

*For more information, contact Brandilyn DePalma, Chief Financial and Operations Officer,
at (817) 740-3637 or bdepalma@esc11.net.
Business Center e-mail: businesscenter@esc11.net*

Price List — 2020-2021

Business Center Pricing				
Service	ADA			
	<600	600-1,199	1,200-1,799	1,800-2,399
Finance Support Services	\$17,000	\$20,500	\$22,500	\$24,500
Full-Service Finance	\$20,000			
Payroll Support Services	\$20,000	\$22,500	\$25,000	\$27,500
Basic Finance and Payroll Support	\$30,000	\$35,500	\$40,000	\$45,000
Full-Service Finance and Payroll	\$33,000	\$38,950	\$45,950	\$54,000
Monthly Bank Reconciliation Services	\$3,000	\$3,000	\$3,000	\$3,000

Other Business Center Charges

New Client Fee: A new client conversion fee will be charged after initial analysis of prospective client’s current finance, accounting, and payroll data.

Requisition Module Fee: ISDs/Charters using the TxEIS requisition module will be charged an annual fee of \$580 plus \$20 per user.

Bank Account Reconciliation Services: ISDs/Charters contracting for bank reconciliation service only will be charged \$250 per month for the first bank account, \$50 per month for each additional account.

Supplemental Payroll Fee: ISDs/Charters contracting for payroll services will be charged \$60 plus an overtime rate of \$50 per hour for each supplemental payroll.

TxEIS Software Charges

The following charges will be billed through Management Information System Department contracts:

- New Client database creation charge, Hosting Fee, and a one-time SQL license fee (must complete “TxEIS Service Fees” Contract)
- TxEIS License and support fees (must complete “Management Information Services Software and Support” Contract)

Business Center Cancellation policy:

- Either party has a right to cancel with a 30-day notice subject to the 25% non-refundable amount as described below. A letter of intent to contract for services must be signed (or online contract must be submitted and accepted) prior to work beginning for the new year.
- 25% of the total contract amount is non-refundable once any service has begun. This includes, but is not limited to, beginning the set up of payroll information or budget information.
- Refunds will be determined by monthly proration. The monthly proration will be calculated by subtracting the 25% non-refundable amount and any TxEIS fees incurred from the contract amount then dividing the remaining contract amount by the number of months of the contract to come up with a per-month amount. Once a transaction has been posted to a month by the ESC Region Business Center, the total month’s proration is earned by the ESC Region II Business Center.
- Any amount due to the client or the ESC Region Business Center is due within 30 days after the effective date of cancellation.

(please print on ISD/Charter letterhead)

Letter of Intent to Contract with ESC Region 11 Business Center

It is our intent to contract with ESC Region 11 Business Center for the period beginning _____ through _____ for [(payroll only), (finance only), (both payroll and finance), or (bank reconciliation only)] (circle one).

By signing this contract we understand:

- (1) If a contract is not in place for the service period, a letter of intent to contract must be signed prior to work beginning for the new-year.
- (2) We are authorizing ESC Region 11 to begin payroll and/or finance services for the contract period mentioned above.
- (3) 25% of the total contract amount (see Business Center Contract Price List) is non-refundable once any service has begun.
- (4) Failure to execute this letter of intent in a timely manner may jeopardize timely delivery of service for the beginning of our school or fiscal year.
- (5) We are agreeing to the cancellation policy described below:

Business Center Cancellation policy:

- Either party has a right to cancel with a 30-day notice subject to the 25% non-refundable amount as described below.
- 25% of the total contract amount is non-refundable once any service has begun. This includes, but is not limited to, beginning the setup of payroll information or budget information.
- Refunds will be determined by monthly proration. The monthly proration will be calculated by subtracting the 25% non-refundable amount and any TxEIS fees incurred from the contract amount then dividing the remaining contract amount by the number of months of the contract to come up with a per-month amount. Once a transaction has been posted to a month by the ESC Region 11 Business Center, the total month's proration is earned by the ESC Region 11 Business Center. Any amount due to the client or the ESC Region 11 Business Center is due within 30 days after the effective date of cancellation.

ISD/Charter

Education Service Center Region 11

Superintendent or Director

Date

Executive Director

Date

Date Received by ESC Region 11 _____