

PLANO ISD

2018-2019

FISCAL PROCEDURE MANUAL



Plano Independent School District

This Fiscal Manual is intended for the use of District Staff as a guide to the business functions and procedures of Plano ISD. Updates to the document will take place on an annual basis.

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Introduction

This Fiscal Manual has been prepared to provide general information regarding Plano ISD business functions. Additional information is also included within the District's Board Policies, Administrative Policies and Procedures. This manual will provide an overview of the most pertinent information and links to additional detailed information related to the areas of campus/departmental business functions.

This manual is provided to ensure that generally accepted accounting principles are followed and that sound internal controls are in place to provide protection of all district funds. Adhering to these policies and procedures will help to prevent the misappropriation or abuse of funds as well as protect individuals who handle district funds.

Principals, Office Managers, any staff member serving as a sponsor or any employee handling funds, shall review this fiscal manual annually and then complete and sign the Acknowledgement Receipt.

General Information

All Board policies must be adhered to in the administration, handling and maintenance of district funds. DH (Local) states that, "All District employees shall perform his or her duties in accordance with state and federal law, District policy, and ethical standards."

The following board policies (Legal, Local, Exhibit, and/or Regulation) are especially relevant:

- CAA Fiscal Management Goals and Objectives (Financial Ethics)
- CDC Other Revenues – Grants and Private Sources
- CFD Accounting – Activity Funds Management
- CPC Office Management – Records Management
- DH Employee Standards of Conduct
- GE Relations with Parents or Parents' Organizations
- FJ Regulation
- FP Student Fees, Fines and Charges

Click link to view all board policies including the ones referenced above [Plano ISD Board Policies](#)

Ethics

District employees shall exhibit the loyalty and trust in the financial affairs and interests of the school district they serve, and shall not knowingly be a party to or condone any illegal or improper financial activity. District employees shall not use public property or resources for personal gain.

Fraud Prevention

Financial fraud is any attempt to deceive another for financial gain. Plano ISD is committed to the prevention of financial fraud. Employees are expected to handle district property and resources with the utmost care. Employees may observe financial activity in their environment that may need to be investigated. Therefore, employees are encouraged to report any observations of potential financial impropriety to their immediate supervisor. In the event that the employee would prefer to report their observations to someone other than their immediate supervisor, employees are encouraged to use the [Fraud Hotline](#).

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Business Office Staff

NAME	POSITION	FAX	EXTENSION
Linda Madon	Executive Director		28118
Linda Davis	Office Manager		28228
Kathy Waskow	Director Construction/Special Revenue Accounting		28047
COMPLIANCE:			
Amy Nelson	Finance Compliance Officer		28203
Shawna Neill	Finance System Technician		28046
Brenda Lagerlef	Specialist Travel Accounting		28052
ACCOUNTING:			
Christie Tate	Director Accounting/Budget		28115
Sheri Kleckner	Budget Analyst		28204
Angela Marks-Cosby	Accountant		28013
Sally Wientjes	Accountant		28285
Larissa Thornburg	Accountant		28244
Anna Allman	Bookkeeper		28206
Rita Hughes	Bookkeeper		28202
<i>Accounting FAX</i>		28033	
<i>Finance Conference Room</i>			38006
ACCOUNTS PAYABLE:			
Loren Allen	Manager Accounts Payable		28041
Cindy Emens	AP Team Leader - Vendors: O-R		28131
Lennie Scales	Specialist - AP Vendors: #s, A-D		28130
Ann Petrowski	Specialist - AP Vendors: E-N		28132
Alicia Nation	Specialist - AP Vendors: S-Z & Labatt		28129
<i>A/P FAX</i>		28117	
PAYROLL:			
Wes Simmons	Coordinator Payroll Systems		28108
Kathy Miller	Payroll Team Leader (Substitute Pay)		28097
Tiffany Phelps	Payroll Specialist (<i>FANS/403B/Garnishment</i>)		28276
Mary Maddux-Hauck	Payroll Specialist (<i>Dir. Deposit & Transportation</i>)		28127
Consondra McCoy	Payroll Specialist (<i>Monthly Supp'l & Facility Services</i>)		28126
<i>PAYROLL HOTLINE:</i>			28128
<i>Payroll FAX</i>		28121	
PASAR FINANCE:			
Karen Standlee	Financial Interface Supervisor - PASAR		23882
Becky Woodard	PASAR Analyst		23883
Judy Humphrey	Finance Zone Specialist (A - G)		23885
Cindy Klapper	Finance Zone Specialist (H - O)		23889
Vacant	Finance Zone Specialist (P - Z)		23890
<i>PASAR HOTLINE:</i>			28915
<i>PASAR FAX:</i>		23881	
<i>PASAR CONFERENCE ROOM:</i>			23783

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Accounting Code Structure

The Texas Education Agency has established a set of account codes that all Texas school districts are required to use when making purchases on behalf of their school district.

The Financial Accounting & Reporting Module of the Financial Accountability System Resource Guide (FASRG) contains the required accounting code structure. Use of the appropriate accounting code structure is mandatory. The TEA account code structure is available in Module 1 (FAR) TEA website at:

<https://tinyurl.com/TEA-Account-Code-Structure>

A major purpose of the following accounting code structure is to establish the standard Texas school district fiscal accounting system required by law. Although certain codes within the overview may be used at local option, the sequence of the codes within the structure, and the funds and chart of accounts, are to be uniformly used by all school districts in accordance with generally accepted accounting principles.

Plano ISD Account Structure

<u>FUND</u>	<u>FUNCTION</u>	<u>OBJECT</u>	<u>SUB-OBJECT</u>	<u>ORG</u>	<u>PRG INTENT</u>	<u>PROJECT</u>
XXXXXX	XX	XXXX	XXX	XXX	XX	XXX
Example: 199000	11	6399	000	001	11	000

TEAMS Account Code Example in My Accounts:

Account Detail		Account Transactions							
Fiscal *	2017								
Year:									
	Fund	Funct	Object	SubObj	Org	PI	Proj	Year	Owner
Account Number:									

Fund Code – A mandatory 3-digit code used for all financial transaction to identify the fund group and specific fund. Plano ISD uses 6-digit code for the [fund code](#).

Function – A mandatory [2-digit code](#) applied to expenditures that identify the purpose of the transaction.

Object – A mandatory [4-digit code](#) identifying the nature and object of an account, a transaction or a source.

Sub Object – This is an optional code - is used by Plano ISD to further define a certain program or expense.

Organization - A mandatory [3-digit code](#) identifying the organization. [Detail list of campuses and departments](#)

Program Intent – A [2-digit code](#) used to designate the intent of a program provided to students. These codes are used to account for the cost of instruction and other services that are directed toward a particular need of a specific set of students. The intent (the student group toward which the instructional or other service is directed) determines the program intent code, not the demographic makeup of the students served.

Project – Are optional codes and can be used by the district to further describe the transaction.

Fiscal Year – Plano ISD fiscal year begins July 1 and ends on June 30.

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[Detailed TEA Account Code Structure](#)

[Plano ISD Account Code Quick Reference Guide](#)

Activity Funds

Activity funds are established to direct and account for monies used to support co-curricular and extra-curricular student activities. As a general rule, co-curricular activities are any kind of school-related activities outside the regular classroom that directly add value to the formal or stated curriculum. Activity funds are unique to school districts. Two classifications are commonly recognized: Student activity funds, which belong to the students and are used to support student organizations and clubs, and Campus activity funds, which belong to the school district and are used to support district programs.

TEA's definition

5.5 Activity Fund Accounting

Activity funds are defined as funds consisting of resources received and held by the school as trustees to be expended or invested in accordance with conditions of the trust. Specifically, they are funds accumulated from various school-approved money-raising activities and the receipt of student dues or fees, commissions, investment interest and donations. These funds are to be used to promote the general welfare of the school and the educational development and morale of all students. All funds collected by school district personnel from students are defined as activity funds

Campus Activity Funds (CAF) belongs to the District, are used to support its co-curricular and extra-curricular activities, and are administered by the school administrators or the school board. Approval for disbursing district activity fund monies rests with administrators, not students. Campus activity funds are comprised of monies raised and collected by the campus through fund-raising efforts or donations. These funds are considered special revenue general funds.

Student Activity Funds (SAF) support the activities of student-led organizations or clubs in which students not only participate, but also manage and direct the organization's activities. Student activity funds are comprised of monies raised and collected by students typically through school and or district approved fundraising activities, club dues, or donations. Student activity funds are assets held by the district as an agent for the student organization that cannot be used by the district to support its own programs. Approval to spend money from a student activity fund rests solely with the student organization, rather than administrators.

Sunshine Fund (Faculty/Hospitality Funds) is a fund comprised of voluntary contributions by staff employees. These funds should be expended at the faculty's discretion. Purchases typically include flowers for ill staff members, get well gifts, etc. The sales tax exemption cannot be claimed for purchases from the sunshine fund for gifts, condolences or other such items of personal nature. The campus may safe guard the "Sunshine" Funds in a cash box which is independent from Plano ISD. These funds can be stored in the school safe but must be stored in a separate lockbox that is clearly labeled "Sunshine Fund". Cash control procedures should be followed, i.e. two members oversee the receipt and disbursement of funds. The District does not assume responsibility for the safety of these funds. Sunshine funds are not subject to purchasing and bid laws because they are not considered District funds; they belong to the faculty.

Campus Activity Funds	Student (Club) Activity Funds
- Funds belong to the campus/district	- Funds belong to various student groups / clubs
- Money raised locally or donated	- Money raised by students or donated
- Expenditures should align with board policy CFD (Legal) & (Local)	- Spending decisions rest "solely" with students

The District has adopted policy CFD (Local) to comply with Education Code 44.908 which requires school districts to adopt a policy governing the expenditure of local funds from vending machines, rentals, gate receipts, or other local sources of revenue over which the district has direct control. The policy must require discretionary expenditures of local funds to be related to the district's educational purpose and provide a

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commensurate benefit to the district or its students and meet the standards of Section 52, Article III, of the Texas Constitution regarding expenditure of public funds.

Activity Funds Management

Policy CFD (LOCAL) states that the superintendent, principal, and sponsor, as applicable, are responsible for the proper administration of activity funds in accordance with state law and local policy, District-approved accounting practices and procedures, and the TEA Financial Accountability System Resource Guide (FASRG).

State Law and Local Policy

The only provision in the Texas Education Code related to managing activity funds relates to district or campus activity funds and requires a school district to adopt a policy governing the expenditure of funds received from vending machines, rentals, gate receipts, or other local sources of revenue over which the district has direct control. The policy must require discretionary expenditures of these types of funds to be related to the district's educational purpose, provide a commensurate benefit to the district or its students, and not be a gift of public funds under the standards of Texas Constitution, article III, section 52. This legally-required policy provision is found in Plano ISD school board policy CFD (LOCAL).

The responsibilities of the various people involved in handling and accounting for activity funds is outlined below.

Campus Principal	Campus Principals have ultimate responsibility for the proper handling of activity funds on their campus, the correct accounting for these funds, and overall adherence to the procedures and guidelines set out in this manual.
Office Manager and Finance Clerks	Campus Office Manager/Finance Clerks are responsible for following these policies and procedures in processing transactions as set out in this manual.
Club and Activity Sponsors	Club and activity sponsors are responsible for following the policies and procedures for sponsors as set out in this manual.
Plano ISD Business and Finance	Plano ISD Business/Finance is responsible for maintaining and updating these policies and procedures for activity funds, provide training for principals, Office Manager/Finance Clerk and sponsors, and review the activity of the funds to ensure adherence to the policies and procedures.
Auditors	Internal Auditors will include activity funds in the annual audit.

Expenditures from the Activity Fund

It is strongly recommended that all purchases and payments from the activity funds be requested and authorized in advance using the [Purchase Order Request Form](#). Student Activity funds can be spent on most anything the student group decides and votes to spend funds on provided that the expenditure is legal and that the vendor and purchase has been authorized. Campus Activity funds are to be spent in accordance with how general budgeted funds are spent. The following chart is to assist in determining whether the expenditure is appropriate (has a public purpose in the realm of education) from campus activity fund. The listing is not all-inclusive, but is designed to provide a basis for campus activity spending.

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Campus Activity Funds Appropriate Expenditures	
School assemblies and field trips	
Organization or institutional memberships. However, if an individual membership is only available or is necessary for students to participate in certain activities, then the expenditure is acceptable if a notation is made to document the necessity.	
Award presentations and Professional awards such as plaques, school logo caps, paperweights, certificates, in recognition of students, staff, or volunteers for services to the school or Plano ISD (not to exceed \$50)	
Incentives for student involvement (not to exceed \$25)	
Training for staff	
Scholastic magazines and books	
Supplemental classroom instructional needs and general office supplies	
Improvement of campus and site facilities such as plants, bulletin boards, signs and flags	
Expenses and purchases related to sales of items or fund-raising activities	
Supplementing of student organization activities	
After-hour security	
Tickets for school-related functions when attendance is required by Principal	
Approved travel costs for employees, subject to travel limitations	
Light refreshments and snacks for teacher in-service and staff meetings - appropriate items might include pastries, fruit, cookies and drinks – see fringe benefits and meals	
On site business meals for staff. For reasonable cost comparisons, the per diem amounts are: breakfast - \$8, lunch - \$12, and dinner - \$16. Appropriate documentation indicating who was at the meeting and what was discussed (agenda) is required for the IRS	
Retirement reception costs such as light refreshments, plates, napkins, utensils for a retiring member of the school's staff	
Refreshments and snacks for meetings where the school serves as host for related activities for students, staff and patrons	
*Required school apparel for staff (see pg. 10 - Taxability)	
Benevolence – Flowers or Plant for death of campus staff or campus student – limited to \$100 max.- see pg. 11	

Source: Texas Association of School Business Officials - TASBO

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Campus Activity Funds Prohibited Expenditures	
Reimbursement for luncheons or dinners while attending civic organization's meetings	
Purchase of any GIFT for any person or organization' this includes gift cards (certificates), retirement gifts, flowers, holiday gifts and food gifts. Gifts of public funds are prohibited under Article III, Section 52 of the Texas Constitution	Personal gift (i.e. jewelry, luggage)
Individual awards in excess of \$25	
Payment of an individual's personal bills	
Donations to any individuals, organizations outside of PISD or scholarship funds	
Loans to employees, parents, or students for any reason	
Food provided as a form of compensation --See fringe benefits and meals	
Alcoholic beverages, tobacco products, controlled substances, firearms and other weapons	
Payment of expenses of spouses or other non-employees	
Payment of professional organization liability insurance on any individual	
Fund raising dinner tickets outside of PISD	
Extra compensation or bonuses to employees, whether it be in the form of cash or gifts	
Excessive number of appreciation meals or snacks furnished to staff	
Meals furnished to employees which exceed the reasonable limitations based on meal reimbursements during overnight travel	
Meals for day travel. IRS considers this income that must be reported on the annual Form W-2	
Replacement of an individual's property that was lost, stolen, or damaged on the school or district's premises or while being used at a school or district function. Use of funds in this manner is prohibited by the Texas Tort Claims Act	
Transfer of funds to hospitality/sunshine	
Any expense which appears to benefit private individuals or entities in ways so out of proportion to the overall public benefit that they amount to a virtual donation	
Any other expenditure prohibited by Federal or state law, TEA or Board policy or Plano ISD regulation	
Benevolence – Flowers or plant for death of immediate family - may use Sunshine fund or personal funds	

Source: Texas Association of School Business Officials - TASBO

IRS and Fringe Benefits

What is a Fringe Benefit?

A fringe benefit is an employment benefit received by an employee that is in addition to their regular pay. Some examples of a fringe benefit are a company car, health insurance premiums or subsidized meals etc. By default, all fringe benefits are considered taxable wages unless specifically excluded from tax by a section of the IRS Code. Those exclusions of a fringe benefit are specifically named by the IRS and are tax-exempt. Tax-exempt means they are exempt from income tax and do not have to be reported as taxable wages on an employee's W2.

What is a De Minimis Fringe Benefit?

In general, a de minimis benefit is one for which, considering its value and the frequency with which it is provided, is so small as to make accounting for it unreasonable or impractical. De minimis benefits are excluded as taxable wages under IRS Code section 132. In determining whether a benefit is de minimis, you should always consider both its frequency and its value. An essential element of a de minimis benefit is that it is occasional or unusual in frequency. It also must not be a form of disguised compensation.

A de minimis fringe benefit would be tax-exempt; therefore, excludable as taxable wages.

In order to be considered a de minimis fringe benefit, two conditions have to be met:

- ✓ Value is small
- ✓ AND it is occasional or infrequent, **not routine**
 - Providing doughnuts every month for meetings or every Friday would be considered routine; therefore, would not be considered de minimis, even though the value is small
 - Providing doughnuts once a semester would be considered occasional and small value; therefore, would be considered de minimis and be excludable as taxable wages

Food and clothing are the 2 fringe benefits most often provided by the District to employees. The following sections provide more detailed discussion of these fringe benefits.

Meals and Snacks

This section discusses the IRS exclusion rules that apply to de minimis meals and meals on business premises.

De Minimis Meals – You can exclude any occasional meal you provide to an employee if it has so little value (taking into account how frequently you provide meals to your employees) that accounting for it would be unreasonable or administratively impracticable.

Staff Appreciation Meal

Appreciation meal furnished to staff during recognized national appreciation days are allowed. Such meals shall be provided on school district premises and the cost must not exceed \$12/person. An appreciation meal would be considered a de minimis meal because it has small value and it is provided once a year; therefore, it is excludable as taxable wages.

Staff Development Meals / Staff In-Service

Meals are excludable from wages per IRS Code 119 only if they are provided:

- On the employer's premises – employee's place of work (any Plano ISD facility or approved offsite staff development location)
- For the employer's convenience – example during a working staff meeting and staff cannot leave to obtain a meal. (catered lunch meal must not exceed \$12/person)
- An agenda is required – must include time and date with a notation of "working lunch" which indicates staff are not allowed to leave for lunch
- List of attendees is required

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In order to comply with the IRS definition of De Minimis Meals, a campus may provide a meal for staff on campus 3 times a year.

Full day staff meetings or full day team building events held off campus and paid with district campus funds must meet the following criteria:

1. Required Attendance
2. Staff members only
3. No alcohol

Social events shall be paid from sources other than campus activity funds. Social events may be paid from personal funds, sunshine fund, or PTA.

Snacks and De Minimis Fringe Benefits

The law does not specify a value threshold for benefits to qualify as de minimis. The determination will always depend on the facts and circumstances of both the frequency and value.

Example 1: An employer provides daily snacks valued at one dollar to employees. Although small in amount, the benefit is provided on a regular basis and is, therefore, taxable as wages.

Example 2: An employer provides a meal daily to one employee, but not to any other employee. The benefit is "frequent" with respect to that one employee, and is therefore not de minimis, even though the benefit may be "infrequent" with respect to the entire force.

Taxability of Clothing/Uniforms

The purpose of this policy is to provide guidance on the taxability of providing clothing or uniforms to employees. The Internal Revenue Services (IRS) deems clothing to be a working condition fringe benefit and therefore, excludable from income, if certain conditions are met:

1. The articles of clothing are required as a condition of employment
AND
2. The clothing is not a type that is adaptable or suitable for general usage

Examples of clothing that are required to be worn as a condition of employment and are not adaptable for general use include, but is not limited to:

- Chef coats,
- Lab coats,
- Scrubs

Examples of items that are considered adaptable for general use and therefore taxable include:

- Collared shirts (even if it includes employer logo),
- T-shirts with employer logo

Articles of clothing purchased with district funds, which include campus activity/student group campus activity, and provided to a Plano ISD employee at no charge cannot exceed two per year at a total cost not to exceed \$40 annually in order to comply with IRS definition of De Minimis fringe benefit. The article(s) of clothing will not be reportable or taxable if it qualifies as a de minimis fringe benefit.

If the employee pays for the article of clothing with personal funds, then the article of clothing would not be considered a fringe benefit because the district did not provide the clothing. However, the employee must pay sales tax on the purchase of the article of clothing.

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A campus or student activity group shall not order and pay or negotiate pricing for additional articles of clothing to comp/give away.

If a vendor offers free article of clothing, the clothing may be accepted. However, as required by Tex. Loc. Gov't Code 176.003, any school district employee receiving a gift over \$100 from a vendor must disclose the gift on [Form CIS](#) within 7 days of knowledge of employee/vendor relationship and must be posted on district's website and retained with district records. [Required conflict of interest disclosures](#).

As a best practice, any article of clothing that is offered by the vendor at no charge, should be sold or given to students in need.

Gifts

Article III, Section 52 of The Texas Constitution prohibits gifts of public funds. TEA provides some guidance in this area. It states that it is best to be conservative and also consider the potential public relations risks involved, if the expenditure gives the appearance of being a gift of public funds. Attorney General Opinion N. 96-136 allows limited expenditures of public funds for relatively token recognition awards, if it is not in cash.

A gift is a gratuitous offering for a personal benefit that does not serve a legitimate educational interest. Therefore, campus activity funds may not be used to purchase gifts for students or employees. For example, birthday presents, Christmas presents, wedding or new baby acknowledgements for individuals are considered personal gifts. Employees may donate personal funds to be applied toward the purchase of a personal gift.

Staff professional appreciation gifts must be items that can be used in the workplace to assist in completing job responsibilities. Examples of acceptable professional gifts are notepads, writing utensils, magnets, lanyards, tote bags.

Purchasing gift cards, gift certificates or giving gifts of cash to anyone using district funds, which include campus activity funds, is not allowed. The IRS considers these items cash equivalent and they are always taxable and are never considered a de minimis fringe benefit, no matter how small the value. This is because it is not unreasonable or administratively impracticable to account for cash since the value of the amount provided is readily apparent. Additionally, distributing gift cards or gift certificates to individuals is considered an individual benefit.

Gifts for custodians, postal worker or other non-PISD employee can be purchased with sunshine funds or personal funds.

Donations

If a gift card is donated to the district-school for the purpose of purchasing miscellaneous small consumable classroom items, the donation must be properly recorded on the [Gift Card Distribution Form](#). The recipient of the gift card must maintain itemized receipts to support the expenses.

Gift cards that are donated to the district or gift cards purchased by student groups with student funds for the purpose of assisting families in need must be properly recorded on the [Gift Card Distribution Form](#).

Benevolence

Principal's may at their discretion use funds from campus activity to purchase flowers, plant or food in the event of a campus employee's or campus student's death. Purchase should be limited to \$100. Campus activity funds cannot be used to donate to a charitable organization in lieu of flowers. A campus may choose to use their sunshine funds if they would like to donate funds to a charitable organization in lieu of flowers.

In the event of the death of an employee's or student's immediate family member, a campus may choose to use their sunshine funds or personal funds to purchase flowers/plant or if they would like to donate in lieu of flowers.

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Purchasing

School district staff is not authorized to override the procedures found in this section, which have been written to comply with the State laws and regulations, as well as preserve a level of internal accounting control necessary to demonstrate accountability, ethical conduct and responsible behavior.

The District's objective is to purchase the best value of products, materials and services at the lowest practical prices within the relevant statutes, policies, and procedures. Texas Education Code, Chapter 44, Subchapter B, Section 44.031 (a) requires that all district contracts for the purchase of goods and services, except contracts for the purchase of produce or vehicle fuel, valued at \$50,000 or more in the aggregate for each 12-month period, shall be made by the method that provides the best value for the District. This means that any good/service that the District will purchase during a 12-month period totaling \$50,000 or more must be bid or purchased through a cooperative purchasing group.

The Purchase Order is used to purchase supplies, equipment or services from an approved external vendor. All purchase orders must be originated prior to obligating the District for an expense. The TEAMS requisition module allows users to enter purchase requests electronically, verify account balance, and select pre-approved vendors at the point of data entry. If adequate funds do not exist in the appropriate account, the originator must submit a budget change request in TEAMS. Plano ISD utilizes the purchase order document as the official contract for purchasing. Once the requisition is submitted by the originator in TEAMS, the requisition is electronically approved by various levels of authority. The final approver of all requisitions is the Purchasing Department. Once approved and released by the purchasing staff, a batch process is run throughout the day to create requisitions into purchase orders where a purchase order number is assigned. **No employee shall order or receive goods without an approved purchase order.** Ordering without a Purchase Order is a violation of district policy (CH Local), bypasses State of Texas Encumbrance requirements and violates procurement rules and procedures. The Plano ISD Purchasing Department is responsible for monitoring the compliance of the purchases to bid laws and the District's purchasing procedures. When a campus or department places an order prior to the issuance of a purchase order, it is considered a "Non-Compliant" purchase and is a purchasing procedure violation.

A "Non-Compliant" purchase is any one of the following:

- A purchase order that is issued after an item has been received or picked up
- A purchase order that is issued after a service has begun or been completed
- A preview item that is delivered without a purchase order and is then purchased
- Calling in the order to the vendor prior to receiving a copy of the purchase order
- Sending the purchase requisition to the vendor in advance of the purchase order

End of Year Process

Each fiscal year, the District will establish deadlines indicating the last date to enter requisitions/purchase orders, check requests, employee reimbursements and warehouse orders to be included in the current fiscal year's budget.

Vendor Request

All Plano ISD vendors must have an assigned vendor number in the TEAMS vendor file in order to request a requisition or check request.

If a new vendor is needed, create a Request for New Vendor in TEAMS. All new vendor requests are required to submit a W9 and must be attached in TEAMS when creating a request for a new vendor. All payments made by Plano ISD is subject to IRS 1099 reporting and the W-9 form provided pertinent information on the vendor including their tax identification number.

[Create New Vendor Request](#)

Types of Purchase Orders

Traditional – This type of purchase request in TEAMS can be called a “line item requisition” which gives staff members a method to purchase goods and services. A traditional requisition is a one-time purchasing document that specifies and details the goods or services ordered, quantity, pricing and budget code. Funds are encumbered to the specified budget accounts when the requisition is submitted. The purchase requisition is routed through various levels of authorities for approval before being routed to the Purchasing Department for final review and approval. After the items are delivered, the user must Receive the items in TEAMS.

[How to Create Traditional Requisition](#)

Project – This type of purchase request in TEAMS is commonly referred to as an “Open Purchase Order.” A Project requisition allows users to make multiple purchases on a purchase order to one vendor throughout the semester or the school year. The request can be for any amount necessary with [some exceptions](#). Our local/walk-in vendors such as SAM’s Club, Lowes, Kroger have a maximum amount of \$1,000 and the website vendors Office Depot, School Specialty and Lakeshore have a maximum amount of \$2,000. The requisition must include the details of the purchase. A user encumbers a set dollar amount and once the PO is approved, they can make multiple purchases with the same PO up to the designated amount. After each purchase, users are required to release funds indicating permission for Accounts Payable to pay invoices. All invoices must be submitted to AP timely. Users are NOT allowed to request an increase on the original project purchase order in order to purchase additional items. [How to Create Project Requisition](#)

Not-To-Exceed – This type of purchase request in TEAMS is limited to \$250 maximum. Users are able to create a purchase request for \$250 or less to an approved vendor for a one-time purchase. Once the purchase is made, users are required to release the amount of funds that were spent. Invoices must be sent to Accounts Payable. [How to Create Not-To-Exceed Requisition](#)

Warehouse – Plano ISD maintains a warehouse that keeps commonly used items in stock. The warehouse provides users access to goods without having to place orders to an outside vendor. Warehouse requisitions do not route for approval. The orders are directly sent to the warehouse for processing. Once the items are delivered, the person receiving the goods will sign a delivery ticket. No further action is required in TEAMS.

[How to Create Warehouse Requisition](#) – [Warehouse Items](#)

Check Requests – This type of payment request is used to pay vendors for entry fees, admission to camps, American Express payments, registration fees, membership dues and various other payments.

[How to Create Check Request](#)

[Employee Reimbursements](#)

Employees are reimbursed in TEAMS through the Employee Reimbursement module. Employee reimbursements for purchases should be kept to a minimum as purchases are to be made with a Purchase Order or Retail Card. The intent is not to circumvent the procurement laws and procedures of the district. The maximum allowable employee reimbursement for purchases is \$100. All employee reimbursement requested for purchases over the \$100 max. limit, must be accompanied with a [Finance Acknowledgement Form](#). Other allowable employee reimbursements include travel expenses such as allowable meal or allowable mileage reimbursements. Always provide a detailed explanation for the travel expense as well as an itemized receipt and the approved [Request to Travel Form](#). All employee reimbursements are directly deposited into the employee’s primary checking account once the employee reimbursement request is approved by all appropriate levels.

[How to Create Employee Reimbursement in TEAMS](#)

Plano ISD

Fundraising Activities

A fundraising activity is any activity involving participation of a student organization that has undertaken the purpose of raising funds for the student organization. The funds raised benefit the members of the student organization.

General Fundraising Policies and Procedures - [FJ Regulation](#)

- ✓ All fund raising projects must be approved in ADVANCE (PRIOR) to the fundraiser commencing by the principal and then by Campus Services for final approval. The [Fundraiser Approval Form](#) must be completed by the sponsor in charge of the event and submitted for approval PRIOR to the fundraising event. After the principal approves and signs the form, email the form to campserve@pisd.edu.
- ✓ No door to door solicitation.
- ✓ Fund-raising activities must not interfere with the instructional program.
- ✓ Classes, grade levels and campuses cannot conduct fund-raisers as a community service project but may conduct approved activities that are not related to the raising of funds.
- ✓ Prizes in student activity projects are prohibited. No gifts are to be accepted by students for selling products or by sponsors for participation in a fund-raising project.
- ✓ Student participation in fund-raising events will not be a requirement for membership in any curricular or extra-curricular program.
- ✓ Gambling games such as Bingo are not allowed.
- ✓ Schools are NOT allowed by State law, to hold raffles. A raffle is defined as an award of one or more prizes by chance at a single occasion among a single pool or group of persons who have paid or promised a thing of value for a ticket that represents a chance to win a prize.
- ✓ A Profit/Loss statement is required to be completed within a month of the completion of fundraiser
- ✓ Crowd funding guidelines have been established by Campus Services. [Crowd Funding Guidelines](#)

[Fundraising Policies and Procedures Manual](#)

Student Fees – Supply and Activity Fees

A student fee is any payment by students for items such as entry fees or required clothing or materials that contribute to the general success of the activity plus there will not be a profit made on the fees collected. Any collection of fees must have PRIOR approval by the principal by completing the [Supply/Activity Approval Form](#).

The supply fee would include taxable items whereby sales tax would have to be collected and paid to the State of Texas. An Activity Fee would be non-taxable or have non-taxable fees.

[Supply vs Activity Fee Chart](#)

[Supply vs Activity Fee Decision Flow Chart](#)

Plano ISD

Receiving and Depositing Money

General Procedures

- All monies collected must be turned in daily to the Office Manager for safe-keeping or deposit
- All monies collected must be deposited weekly or sooner
- In order to maintain effective cash control, at least two people must be involved in the functions of collecting cash, receipting cash and depositing cash.
- The Office Manager/Financial Clerk shall never be the person collecting the money.
- Postdated or temporary checks are not accepted.
- Include student ID on checks received
- All financial business should be conducted with integrity.

Cash/Check Handling

Receipt of cash or check must be recorded in one of the following ways:

- ✓ Creating a Receipt –
 - Original, white receipt, is given to person submitting the funds
 - Second, yellow receipt, is given to the Office Manager/Finance Clerk along with Deposit Form
 - Last, pink receipt, remains in the receipt book as a permanent record
- ✓ Tabulation of Money Form
 - This form is used when collecting several amounts of money from more than one student/sponsor for the same event or purpose.
- ✓ Photocopy of Checks – Does not apply to campuses/departments using Remote desktop deposit. Retain original checks for 14 days then shred. Check images are retained in Wells Fargo CEO system for 7 years.

Deposits

General Procedures

- ✓ All money collected must be submitted to the Office Manager/Financial Clerk in the same form it was collected
- ✓ The money, Tabulation of Monies form, receipts, photocopy of checks are to be submitted to the Office Manager/Finance Clerk daily for safe-keeping and all money must be deposited weekly or sooner
- ✓ Personal checks MAY NOT be substituted for cash collections
- ✓ The Deposit form must be turned in with the money and all supporting documentation for deposits
- ✓ Record the change of hands of the funds from sponsor possession to Office Manager/Finance Clerk on the Deposit Log located in the Office Manager's office

[Link to Detailed Information on Deposits](#)

Plano ISD

Sales Tax

A school district is a political subdivision of the State of Texas and; therefore, exempt from paying state sales tax and no tax number is assigned. Purchases by the school for educational and instructional use or for administrative purchases necessary for the educational functioning of the school are exempt from sales tax. The school, school district or authorized agent should provide the seller with a valid Tax Exemption Certificate. To be valid, the certificate must state the merchandise being purchased is for the organization's own use in providing education and is being made in the name of the organization, and that payment will be made from the organization's funds.

- Purchases for personal use by individuals, even though connected with a school or school organization, are NOT exempt from tax. (Examples: cheerleaders purchasing uniforms, band members purchasing t-shirts)
- The Tax Exemption Certificate cannot be used by staff members for purchases made from Sunshine Fund.
- The District exemption status may not be utilized by parents, patrons, or alumni organizations to secure exemption from sales taxes. Parent/teacher organizations, booster clubs, etc. must apply for their own exemption.
- The current state sales tax is 8.25%. Use the [sales tax calculation](#) below to figure sales tax owed.

SALES TAX CALCULATION			
Based on a 8.25% sales tax rate			
This worksheet can be used when you need to back into the sales tax amount.			
Highlighted cell indicates your input information.			
Gross Sales		Fill in the highlighted area to calculate the sales tax	
Net Sales	-	gross sales /1.0825	
Sales Tax	-	gross sales - net sales	

When is sales tax collected?

Sales of tangible items by teachers and students – Sales tax MUST be collected on merchandise and non-exempt food products they sell. If the school assumes responsibility for the activity and /or sales, the school is responsible for ensuring that the sales tax is paid. The school may purchase items tax-free with a Purchase Order but must collect the sales tax when the items are sold.

Each school and bona fide student club (fund 865) is entitled to have two 24-hour tax-free sales per calendar year (Jan. to Dec.). Either the date on which the items are delivered by the vendor to the school organization or the day on which the school organization delivers the items to its customers may be designated as the one-day tax-free sale day. Persons buying from surplus inventory on the designated date do not owe tax. Those buying on subsequent dates owe tax unless the purchase occurs on the organization's 2nd tax-free sale day. It is the campus responsibility to keep documentation regarding the tax free days in the event of an audit.

Example

A school group selling yearbooks may accept pre-orders without collecting tax if the day the yearbooks will be delivered to customers is designated as one of the group's tax-free fundraisers. Surplus yearbooks sold during the same day also qualify for the exemption. Surplus books sold on other days are taxable unless sold at the group's other tax-free fundraiser.

The Finance Department recommends that every campus retain a copy of [Sales and Use Tax Bulletin](#) published by the Texas Comptroller of Public Accountant.

Travel Policies and Procedures

Plano ISD will reimburse its employees for reasonable expenses incurred in conjunction with authorized travel. Reimbursement requests must be submitted using district forms and within the definition of IRS Accountable plan. Employees should be economical in their travel planning in an effort to conserve resources. Funding for travel will be provided through an approved budget. An Expense Travel Voucher must be completed for all employee travel and/or student travel.

[Link to Travel Policies and Procedures](#)

[Travel Checklist](#)

[Completing the Expense Voucher for AMEX](#)

[Completing the Expense Voucher for Travel Employee Reimbursement](#)

[Instructions on How to Tape Receipts](#)

[Creating In-District Mileage Reimbursements in TEAMS](#)

Budget Change Requests

During the course of the year a campus or department may find the need to transfer funds from the originally budgeted expenditure account to another expenditure account for unforeseen transactions. This task is performed electronically in TEAMS by completing a Budget Change Request.

In TEAMS locate the Budget Change Request menu.

How to [Request Budget Change](#) in TEAMS.

Payment Transfer Form

Budget transfers cannot be entered in TEAMS on Student Activity accounts or Campus Activity accounts. These accounts are not budgeted; therefore, a budget transfer cannot be requested or approved in TEAMS. To move actual cash between non-budgeted accounts, the Office Manager will complete a [Payment Transfer Form](#). Appropriate signatures and supporting documentation is required for the transfer request.

Payroll

All employees receive their paychecks either by:

1. Direct Deposit (Paycheck deposited directly into a bank account) or by
2. Cashpay Card (used if an employee does not have a bank account or by choice)

Paper paychecks will not be available and ALL EMPLOYEES must choose either direct deposit or cashpay card. A form, for either choice, must be on file in the Payroll Department.

Payroll has scheduled due dates and cut off dates for payroll processing information. These dates are firm dates and Payroll cannot make regular deviations from procedures to correct lack of planning and failure to submit data on a timely basis.

Payroll will make every effort to accommodate true emergencies.

Name and address changes are very important to the Payroll Department. An employee should follow up with Payroll, whenever there is a change. Name and address changes are requested online through Human Resources. Employees must use correct legal name on all payroll related forms.

Plano ISD

For any Payroll question please contact the Payroll Department.

For Payroll forms such as W4, time sheets, payroll calendar, direct deposit, overtime requirements, refer to the following web link:

[Payroll Information](#)

Grant Management

All state and federal grants shall be managed in accordance with State and Federal Grants Manual. All federal grants expenditures shall comply with the federal regulations, i.e. EDGAR or 2 CFR 200. TEA-administered grants shall also meet the Grant Management guidelines established by TEA. Specifically, grant fund expenditures must meet the following guidelines:

- Reasonable and necessary
- Conform to limitations or exclusions and be allocable to the specific federal or state grant
- Be consistent with policies and procedures of the district regarding types or amount of cost items
- Be accorded consistent treatment with district's expenditures with non-federal grant funds
- Be determined in accordance with generally accepted accounting principles
- Not included as part of a cost sharing or matching requirement of another federally funded grant program
- Be adequately documented

The Grants Manager for the specific grant shall be responsible for the management of all state and federal grants. Grant budgets should be developed by coordinating with the Director of Special Revenue and Construction. Applications are to be submitted to appropriate agency by the CFO. The Director of Special Revenue and Construction shall review all grant purchases and expenditures and seek guidance from the Grant Manager for clarification related to grant restrictions, as appropriate.

On an annual basis, all staff paid from federal grant funds shall sign a job description each school year. The job description must include the source of funds, job duties related to the federal grant program. The Intent and Purpose as stated in the federal grant program guidelines of each grant may be used to determine the specific job duties of federally-funded positions.

State or non-federal grant applications shall be submitted to the appropriate Campus Services Executive Director for review and approval prior to submission. The executive directors will coordinate with Finance, Purchasing and Human Resources to be sure all areas are in agreement on grant request.

All grant funds will be budgeted, expensed and monitored through the district's finance system. All grant reimbursement request shall be prepared and submitted in TEAMS after collaborating with the appropriate Grant Manager.

Budget changes and/or amending requests may require approval from the granting agency and/or pass-through entity. The Grant Manager and Director of Special Revenue and Construction shall review and approve all budget amendments related to federal grant funds in accordance with all federal requirements as stated in the district's [EDGAR manual](#).

Internal Audit

The financial records and procedures of all schools and departments will be subject to review at any time throughout the year. These reviews may be performed by Plano ISD finance staff, internal auditors, or by the District's independent auditors.

Internal auditing is an independent appraisal function established to examine and evaluate the funds as a service to the Board of Trustees and the Superintendent. Audit procedures for district funds are designed to verify the accuracy of all financial records.

The purpose of an audit is:

- To evaluate the accounting and handling of district funds ensuring that the operations performed are in compliance with Plano ISD policies and procedures, as well as State and Federal regulations in accounting for the funds and maintaining accurate, reliable records
- To identify and report possible significant internal control weaknesses
- To identify and report possible instances of abuse, waste and fraud and to assist law enforcement officials in prosecuting fraud and other abuses
- To recommend measures to eliminate or mitigate weaknesses, potential fraud or abuses identified in the audit
- To substantiate the cash and other activity account balances as of the audit date
- To determine the propriety of financial transactions within the accounts
- To report the audit results internally
- Activity fund records are subject to audit at any time by the Internal Audit department. The Internal Auditor determines the frequency of an audit (ie, annually, bi-annually, etc.). All schools, accounts and sponsors can be randomly selected for audit throughout the year. Management changes, administrator request or Finance request will be given priority in the selection process.
- Audits are the final control to assure principals that procedures used in the handling of funds entrusted to them are entirely adequate for the protection of themselves and their personnel.
- Unless an audit is to be conducted on an urgent basis (as in the case of suspected fraud or other abuse), the internal auditor will provide advance notice of their intent to audit to the principal or department head of the campus/department under review. It is the principal's/department leader's responsibility to make available financial records, documentation and access to key individuals that are related to the audit being conducted.
- At the conclusion of each internal audit engagement, a written report will be prepared and issued by the Internal Auditor and will be distributed to the Superintendent and Board President and Audit Committee
- [Fraud Hotline](#) – click on link for more information

Plano ISD

Plano ISD Fiscal Manual 2018-2019 Receipt and Acknowledgement Form

I, _____, acknowledge receipt of the electronic version of the Plano ISD Fiscal Manual 2017-2018 located at <http://inside.pisd/business/finance/index.shtml>, which can be accessed on a district computer or via remote access.

I understand it is my responsibility to read and comply with the policies and procedures contained in the Plano ISD Fiscal Manual.

I understand the Plano ISD Fiscal Manual is not intended to cover every situation which may arise.

I understand I will consult with my supervisor or Office Manager if I have any questions about information contained in the Plano ISD Fiscal Manual.

I acknowledge that revisions to the Fiscal Manual may occur at any time at the District's discretion and these revisions will supersede the existing procedures.

I understand that Plano ISD will notify me of such changes in the Plano ISD Fiscal Manual.

I understand my signature below indicates that I have read and understand the above statements.

Print Name: _____

Signature: _____

Date: _____