



SECTION V: BUSINESS AND TECHNOLOGY POLICY 5090

Purchasing Card Policy and Agreement

All purchases made using the Purchasing Card (PCard) must be for official school business and in accordance with any Board purchasing or procurement policy. The card must not be used for personal expenditures regardless of the reason. Unauthorized purchases or misuse of the card may render the individual purchaser liable for the goods or services and corrective action up to and including termination and/or possible criminal charges.

Failure to provide adequate documentation for a purchase will constitute misuse of the card. Adequate documentation consists of at least one of the following documents (referred to hereafter in these guidelines as the receipt) signed by the cardholder:

- Original itemized invoice on company letterhead
- Cash register receipt (itemized)
- Printed on-line order form (itemized)
- Facsimiles of itemized order form (faxed from company)
- Handwritten itemized voucher from vendor describing items purchased and including original signature, phone number, address and tax identification number

Note: The customer copy of the charge slip showing only the total charge is not enough documentation. The receipt MUST list specific items purchased.

If an original sales slip/invoice is not available at the time of statement reconciliation, then the school is not liable for the purchase and will ask for personal reimbursement for the charge.

When the PCard is issued, the cardholder must sign the Agreement Form. This form states that the cardholder accepts the responsibility for the protection and proper use of the card. If procedures are not followed leading to unauthorized use of the card, the cardholder will be held responsible for any cost to the school. The card is for incidental, small dollar purchases.

UNALLOWABLE PURCHASES

The PCard must not be used for personal expenditures, regardless of the reason. The card cannot be used for ATM (Automatic Teller Machine) withdrawals or cash advances. Other specific items not allowed for purchase with the card are:

- Capitalized equipment
- Controlled substances (including alcohol and tobacco)
- Gasoline (other than for a rented, school owned vehicle, or strict school purposes)
- Meals (on an individual basis or during travel for which you will be receiving per diem)
- Payments for reportable purchased services (1099's)
- Telecommunications services and personal calls

REMINDER: FRAUDULENT USE OR MISUSE OF A SCHOOL PURCHASING CARD WILL RESULT IN REVOCATION OF THE CARD. THE SCHOOL WILL SEEK RESTITUTION FOR ANY INAPPROPRIATE CHARGES MADE TO THE ACCOUNT.

ALLOWABLE PURCHASES

General: All purchases for official school business are allowable if they meet the school's Purchasing / Treasury

policy and unless specifically unallowed therein. Every effort should be made to obtain the best pricing possible for the school.

Travel Expense: The PCard may be used for certain authorized travel expenses which are consistent with the school's travel policy.

1. Overnight lodging at a commercial facility: Allowable charges include room and hotel parking charges when itemized on the original lodging receipt. Required documentation: Itemized original lodging receipt. NOTE: Unauthorized charges on the bill such as movies, meals or personal calls must be balanced out before charging the remainder to the card.

2. Rental cars and related gasoline charges: Allowable charges include actual and reasonable rental charges and gasoline costs (not to exceed the cost of using a personal car at the school's mileage rate). Required documentation: Original rental car and gasoline receipt. NOTE: As a rule, gasoline cannot be charged on your card except for rental, use of school-owned vehicles or for specific school purposes (i.e., testing).

3. Transportation: Allowable charges include actual charges for airline, train or other public carriers. Tickets must be issued in the name of the individual traveling.

Internet Purchases: The card may be used on the internet. When purchasing via the internet, know your merchant, be sure that you are using a "secured" site, print your order form before and after making payment, print any confirmation email, and always obtain receipts for your purchases.

STATEMENT RECONCILIATION PROCEDURE

Billing Information: Your monthly cardholder statement will include transactions posted up through the end of each month. Your statement will then be created and sent to you within five business days.

Processing the Statement:

1. Match each charge appearing on the statement to the original receipt.
2. Attach the original receipts to the statement in order as they appear on the statement. Please attach smaller receipts to an 8 ½ x 11 sheet of paper. You may attach more than one receipt to a sheet.
3. Enter the account number to be charged on each receipt. School activity accounts may be used as well as the school's general fund account.
4. Include any back up documentation required for purchases. Submit all information to the Executive Director, or designee.

POTENTIAL PROBLEMS

Declined Sales: If your purchase is declined at the point of sale and you believe that an error might have occurred, you should call the toll-free number on the back of the card. The customer service representative will advise you if you have exceeded the monthly or individual transaction dollar limits assigned to your card. Occasionally the decline may be the result of a system error at the Bank. In that case, request the vendor to contact the Bank using the 1-800 number on the back of your card. A Bank representative can authorize the transaction verbally or by phone. If the purchase is an emergency and is needed immediately, contact the school's chief financial officer, or designee ("CFO"), to authorize the transaction immediately with the bank. Once the CFO has authorized the purchase, then the card can be used again.

Card Refusal: Occasionally you may want to make a purchase from a supplier who does not accept the PCard. Although the school cannot require a supplier to accept the school's card, you may wish to advise the CFO. He/She can contact the supplier and provide them with information regarding our card program and encourage the supplier to consider accepting our card for payment of our small dollar purchases.

Returns for Credit: Credits to your card must be issued through the Bank. When you return goods that were originally purchased on a school card, a credit slip must be processed by the supplier to credit your card. This process insures that your monthly statement will not be paid “short” by Accounts Payable.

Note: If a purchase is made using the card and you return goods to the supplier, you must not accept cash or a due bill for the credit amount. All credits issued for purchases previously made on the card MUST be credited back to the account by the supplier.

Duplicate Payments: Inevitably, situations will arise which result in a duplicate payment of a transaction. Due care exercised by every employee involved in a procurement card transaction should help insure this occurs as infrequently as possible. Make sure travel related expenses that were paid with the card are not turned in for personal reimbursement. They should be listed on the travel reimbursement form as expenses incurred. An employee must NEVER request reimbursement for expense they did not pay personally. Doing so can result in disciplinary action.

DISPUTE RESOLUTION

Cardholder: If the cardholder validates a charge on your statement for which you have no documentation, the cardholder should try to have the vendor provide a duplicate receipt. If none can be obtained, the cardholder is required to refund the charge to the school.

Vendor: If the cardholder does not validate the charge, contact the vendor and try to obtain copies of the basis for the charge. If the vendor agrees to issue a credit, this must be as a transaction to be processed on your card account for your next monthly statement. You must obtain documentation of this credit from the vendor. You may not request that your monthly statement be paid “short” by Accounts Payable, nor can you process your own credit against your card account.

Note: If a purchase is made using the card and you return goods to the supplier, you must not accept cash or a due bill for the credit amount as this constitutes fraud against the school. All credits issued for purchases previously made on the card MUST be credited back to the account by the supplier.

Finance Department: If you are unable to resolve the discrepancy with the vendor, you should contact the CFO to assist you in resolving the dispute. You may be requested to complete a Transaction Dispute Form which the CFO will send to the Bank on your behalf. It is important for you to keep a copy of the complete dispute form for your records.

Bank: Items in dispute must be reported, in writing, to the Bank within 60 days through the CFO.

Remember: Fraudulent use or misuse of the card will result in revocation of the card. The school will seek restitution for any inappropriate charges made to the account.

ACCOUNT MAINTENANCE

Employee Termination: If a cardholder's employment with the school is terminated, their card must be returned to the CFO or designee and their account must be canceled.

Lost or Stolen Card: If a card is lost or stolen the cardholder must immediately notify the Bank and the CFO.

Taking the following steps will help reduce any loss for the school as well as the Bank:

1. Contact the Bank at the number provided when the card was issued.
2. Notify the CFO.

PURCHASING CARD CARDHOLDER AGREEMENT

The school is pleased to provide you with the PCard. The card represents the school's trust in you and your empowerment as a responsible employee to safeguard and protect its assets. Your signature below indicates your acceptance of this responsibility. I hereby agree to comply with the terms and conditions of this Agreement and the Purchasing Card Policy. I acknowledge receipt of the Policy and confirm that I have read and understand its provisions. I will comply with the terms and conditions and those of any subsequent revisions. I understand that the school is liable to its Bank for all card charges made by me.

As a holder of a Purchasing Card, I agree to accept responsibility for the protection and proper use of the card as outlined in this Agreement and the Policy. I will always protect the card to prevent its unauthorized use. I understand that the school will audit the use of this Card and that I may not use it for personal purchases or other prohibited items. Should the card be lost, stolen or compromised in any manner, I shall immediately advise the Bank and the CFO.

I understand that the card is the property of the school, assigned to me for use in my role as an employee of the school and that, in the event of willful or negligent default of these obligations, the school will take any recovery action deemed appropriate that is permitted by law. Furthermore, upon the decision of my supervisor or termination of employment with the school, I agree to return this card to the school for immediate cancellation.

Signed: _____

Printed Name: _____

Date: _____

Last 4 digits of assigned card: _____