

Your School District Procurement Card

**Staff Guide
Staff Agreement
& Board Policy**

OVERVIEW

The Procurement Card Program is intended to streamline and simplify the Procurement and Accounts Payable functions. The Procurement Card is a tool that reduces transaction costs, facilitates timely acquisition of materials and supplies, automates data flow for accounting purposes and offers flexible controls to help ensure proper usage. The Procurement Card Program is designed as an alternative to a variety of processes including petty cash, check requests, and low dollar purchase orders. The Procurement Card is neither a substitute for public bidding nor the district's existing procurement program. Nor is the Procurement Card program being implemented for the purpose of bid splitting and avoidance of the statutorily mandated public bidding process. Rather, the Program complements the existing processes. Some minimal record keeping is essential to ensure the successful use of the Procurement Card. This is not an extraordinary requirement; standard payment policies require retention of receipts, etc.

This Staff Guide provides information about the process, the types of purchases that can and cannot be made, records that must be maintained and reconciled for each cycle, and a variety of other Program information.

PLEASE REMEMBER THAT YOU ARE COMMITTING DISTRICT FUNDS EACH TIME YOU USE THE PROCUREMENT CARD. You are the person responsible for all charges made to the card, which has been issued to you. Intentional misuse or fraudulent abuse may result in disciplinary action up to and including dismissal.

The card will have no impact on your personal credit. Although the card lists an individual's name, the card is actually issued to the School District.

OBTAINING A CARD

Only employees of the School District are eligible to receive a Procurement Card. Contractors or temporary employees are not eligible. You are responsible for the security of the card and all transactions made against the card. You will be required to sign a Procurement Card Staff Agreement as part of the Procurement Card application.

When you receive your Procurement Card, **IMMEDIATELY SIGN** the back of the card and always keep it in a secure place. Although the card is issued in your name, it is the property of the School District and is only to be used for district purchases as defined in this guide.

PROCUREMENT CARD RESTRICTIONS

The Procurement Card **IS NOT** to be used for personal purchases, cash transactions such as money orders, ATM, travelers checks, wire transfers, or any travel and entertainment expenses such as airline tickets, hotel accommodations, car rentals or meals.

DO NOT SPLIT A TRANSACTION into separate receipts to bypass your single purchase limit. Contact your supervisor if you find that your single purchase limit is set too low.

USING THE CARD:

YOU MUST HAVE A RECEIPT FOR ALL ITEMS YOU PURCHASE.

Purchases, with necessary approval, are initiated using your assigned card. Be sure your purchases are within your budget. You may use the procurement card at the locations identified by the business office [these vendors are listed on the Procurement Card Information sheet]. It is required at the time of purchase that you receive a receipt. [You may also order by telephone or mail using your procurement card. When you place your order, ask that a receipt be included with the goods when the product is shipped to you. This receipt is the only original documentation. Your name and [type of credit card] must appear on the packing slip and external shipping label. The supplier will ask for your Procurement Card number, expiration date and the "ship to" address. It is important that the name of your card (i.e. MasterCard) and your name appear on the invoice. Companies that are frequently used by the District already have the School District Accounts Payable Department in their computer and will likely forward the invoice there. Accounts Payable will forward to you – IF YOUR NAME appears on the face of the invoice; if it does not, Accounts Payable will have no idea where to direct the invoice when it arrives. You may also purchase on-line. After you send the order, print off the e-mail confirmation as proof of purchase for reconciliation purposes.]

RECONCILING YOUR ACCOUNT

Every (week) you must print a Statement of Account. The statement will identify each transaction made against the Procurement Card during the billing cycle. This statement must be immediately reconciled against your receipts for accuracy. Sign the statement, staple all receipts to the back of the statement, and forward to your supervisor for approval. After review/approval your supervisor will forward to the (Business) Office.

Your account(s) must be reconciled by Friday of the following (week).

If you make telephone purchases, it is helpful to keep a Transaction Log as a tool to help maintain purchase information and to help reconcile your account. If the Statement of Account arrives before you receive the invoice, you can use the following as evidence of purchase: 1) the packing list to verify receipt of goods and 2) the catalog order form to verify purchase price.

RESOLVING ERRORS AND DISPUTES

In case of an error, contact the supplier to reach an agreement. Most disputes can be resolved between you and the supplier directly. If you are unable to reach an agreement with the supplier, call [school district contact person]. You will be asked to complete a Statement of Questioned Item Form. The bank will flag your account pending an investigation. ALL DISPUTES MUST BE SUBMITTED IN WRITING TO THE BANK WITHIN 60 DAYS OF THE STATEMENT DATE.

PAYING THE BILL

The Procurement Card is a corporate pay arrangement. Account balances will be paid in full every week by wire transfer. Your purchases will be charged directly to your general ledger account. DO NOT send your Statement to Accounts payable with a check request!

LOST OR STOLEN CARDS

Your Procurement Card must be secured, just as you would secure your personal credit cards. If your card is lost or stolen, immediately contact the bank via their toll free number. Also notify the School District Procurement Card Program Administrator.

REFUSAL OF CARD OR ACCOUNT

If your purchase is declined, the vendor will not know why the sale did not go through. Turn your card over and call the customer service number. The representative will tell you why the sale was declined.

DEPARTMENTAL CHANGES

If you transfer or resign your position, IMMEDIATELY RETURN YOUR CARD TO EITHER YOUR SUPERVISOR OR TO THE PROGRAM ADMINISTRATOR.

PROCUREMENT CARD AUDIT ACTIVITY

Your Procurement card activity is subject to random audits by the Business Office and/or the district auditing firm to help ensure adherence to the program's policies and procedures.

MERCHANTS THAT DO NOT ACCEPT THE CARD

Merchants are encouraged to become involved in the Procurement Card Program so that you can use the Program most effectively. Merchants may contact their local bank or financial institution to become credit card capable. For those merchants that are unwilling to participate in the Program, alternative sources should be found.

PROCUREMENT CARD STAFF AGREEMENT
Participating Employee Acknowledgement of Responsibilities

By participating in the School District Procurement Card Program as a Cardholder, you assume responsibilities pertaining to the operation and administration of the Procurement Card Program. These responsibilities include but are not limited to the following:

1. The School District Procurement Card is to be used for school business expenditures only. The Procurement Card may only be used under the parameters and procedures established for the Procurement Card Program which are detailed in "The Procurement Card Cardholder Guide". The School District Procurement Card **MAY NOT** be used for personal or business travel, entertainment purposes or cash transactions.
2. The Procurement Card will be issued in your name. By accepting the Card, you assume responsibility for the Card and will be responsible for all charges made with the Card. The Card is not transferable and may not be used by anyone other than you, the Cardholder.
3. The School District Procurement Card must be maintained with the highest level of security. If the Card is lost or stolen, or if you suspect the Card or Account Number has been compromised, you agree to immediately notify the bank and the School District Procurement Card Program Administrator.
4. All charges will be billed and paid directly by the School District. On a weekly basis, you must print a statement listing all activity associated with the Card. This activity will include purchases and credits made during the reporting period. While you are not responsible for making payments, you are responsible for the verification and reconciliation of all account activity. If you do not follow the procedures, your card and cardholder privileges will be revoked.
5. Cardholder Accounts are subject to periodic internal control review and audits designed to protect the interests of the School District. By accepting the Card, you agree to comply with these reviews and audits.
6. Parameters and procedures related to the Procurement Card Program may be updated or changed at any time. The School District will promptly notify you of these changes.

You agree to surrender and cease use of the Card upon termination of employment. In addition, you must surrender and cease use of the Card if you transfer or relocate. You may also be asked to surrender the Card at any time deemed necessary by the district. Misuse or fraudulent use of the Card may result in disciplinary actions and may be grounds for dismissal.

By signing below, I acknowledge that I have read both the Procurement Card Cardholder Guide and the Cardholder Agreement and agree to the terms and conditions of these documents. I certify that as a participating Cardholder of the School District Procurement Card Program, I understand and assume the responsibilities listed above.

Card Number Issued

Date Issued

Employee Signature

Title

Name (Print)

Date

Superintendent/Business Manager Signature

Title

Name (Print)

Date

[NAME OF SCHOOL DISTRICT]
Individual Staff Member Procurement Card Information

Name of Responsible Staff Member: _____

School/Location: _____

Dollar Limit Per Transaction: \$ _____

Dollar Limit Per Month: \$ _____

Authorized Vendors: _____

Add Board Policy on Credit Card Use Here

Thank you for attending the purchasing card presentation today. This Staff Guide is provided to you as a sample of what can be used to monitor your program. We hope it will be helpful to you as you explore the possibility of implementing a similar program for your district. All _____ School District Staff are required to attend training prior to receipt of their procurement card. This Guide is utilized as the primary tool for that training, and at the close of the training every Staff is required to sign an agreement.

*For Additional Information:
Program Administrator – [name of contact here]
(555) 123-4567 or [e-mail address of contact here]*