

## **Procedure 6212P**

### **Management Support - 6000**

#### **CHARGE CARDS**

Charge cards will be issued only to the administrator who has budget authority for a school, a department, or a program. The cards will be issued in the name of the Cape Flattery School District, and if possible the name of the school or department administrator also embossed on the card. Superintendent may request that a card be issued in his / her name. This card would be retained by the Superintendent and not subject to the checkout procedures. A school or department may request multiple cards; however, cards with a low annual usage may be canceled.

##### **Cardholder:**

Each card will have a *cardholder*, who is the administrator with budget authority for the card. The *cardholder* is responsible for approving all card purchases and for authorizing the payment of all charges.

##### **Card Custodian:**

Each card may also have a *card custodian*, who will be responsible for the day-to-day control of the card. The *card custodian* is responsible for maintaining and preparing the proper documentation for the reconciliation of card transactions by the *cardholder*.

##### **Card User:**

The *card user* is the individual who actually uses the procurement card. On some occasions, one individual could be the *cardholder*, *card custodian*, and *card user*.

#### **TO OBTAIN A PROCUREMENT CARD**

The administrator or supervisor will send an email to the District Office requesting an employee procurement card.

1. The District Office will notify the new cardholder when the card is available for pick up from the District Office.
2. The cardholder must meet with the appropriate District Office staff to review procurement card procedures prior to using the procurement card.

## **USE OF PROCUREMENT CARD**

The procurement card may be used by the cardholder for the payment of authorized expenses on behalf of their district work location.

### **1. Authorized Uses**

- a. The procurement card may be used to make purchases that do not exceed the cardholder's authorized credit limit.
- b. The procurement card may be used at any qualified merchant that accepts Master Card. The procurement card may not be used at Costco.
- c. Examples of approved purchases include:
  1. Office supplies
  2. Subscriptions
  3. Books
  4. Classroom materials
  5. Registrations
  6. Conference travel
  7. Meeting supplies

### **2. Unauthorized Uses**

- a. The procurement card may not be used for the following items:
  1. Gas, personal food, or other unauthorized travel costs per district travel policy
  2. Gift cards
  3. School swag (t-shirts, clothing)
  4. Payment prior to receipt of goods (except for professional books and subscriptions)
  5. Cash advances, personal purchases, cash refunds, or for any non-district purpose
  6. Charitable contributions
- b. All technology software and hardware purchases must be purchased by the IT department.

### **3. ASB Purchases**

- a. ASB Advisors are responsible for ASB procurement cards and their

purchases.

- b. All ASB purchases must be pre-approved in the ASB minutes.
- c. The ASB student officer's signature should appear on the front of the monthly procurement card statement next to the cardholder and supervisor's signatures.

## **CARDHOLDER RESPONSIBILITIES**

1. The cardholder is responsible for ensuring that all required steps are completed when placing an order, including:
  - a. Determining if the total transaction value of the purchase is within the cardholder's transaction limit (including taxes, freight, shipping and handling).
    - i. If the item exceeds the cardholder's transaction limit, the purchaser should work with the District Office to determine if another card should be used or if a credit limit increase should be requested.
  - b. Contacting the supplier and placing the order or going to the store and making the purchase.
  - c. Providing the supplier with the procurement card number and expiration date. If billing address and phone number are requested, use the District Office address and phone number. The shipping address should be the address for your location. **NEVER ship to a personal/home address.**
2. Requesting the supplier enclose a copy of the procurement card receipt and a copy of the sales slip with each shipment to confirm pricing, applicable taxes, etc.

## **PROCUREMENT CARD PROCEDURES**

1. Each individual checking out/using a procurement card completes an agreement for use of a procurement card. Inappropriate use of the card by an individual may result in:
  - a. Permanent revocation of procurement card privileges
  - b. Assignment of wages for repayment of discrepancies
  - c. Disciplinary measures that may include termination and legal action
2. Procurement cards are issued only to District employees.
3. All technology software and hardware and purchases must be purchased by the IT department.
4. An original receipt showing the vendor, date of purchase, detail of items purchased, shipping address, and cost must be retained for every transaction. Records may be

put into storage but must be available if needed.

5. *Receipts must be returned to the card custodian within one week.* A pattern of not turning in the receipts may result in losing the privilege of using the procurement card.
6. If the vendor or supplier does not accept a procurement card, then a purchase order may be used to cover the payment.
7. Reviews of the site records will be conducted by District Office. The reviews will look at compliance with District procurement card procedures and other related policies.
8. Requests for additional procurement cards or changes to existing cards should be submitted to District Office. Requests will be considered on a case-by-case basis.

## **PROCESSING STATEMENTS**

Transactions will be uploaded to the financial software and must be reviewed by the card custodian on a bi-weekly basis. Each transaction must be accompanied by an electronic attachment of the receipt or other purchase verification document.

1. Statements must be reviewed and accuracy verified.
2. Each location must keep copies of the statement and receipts supporting the charges for auditing purposes.

## **SALES AND USE TAXES**

Card custodians should make sure vendors include sales tax on all purchases. Questions related to tax can be answered by District Office.

## **PROCUREMENT CARD SECURITY**

Procurement cards must be kept in a secure location and the account number must be safeguarded. The cardholder, or card custodian should be the only ones using the card. The procurement card number should not be posted at the cardholder's desk or any other place easily accessible to others.

## **LOST OR STOLEN CARDS**

If the procurement card is lost or stolen, the cardholder must contact the District Office immediately. The card will be closed, and a new card will be issued within five to ten business days. If the old card is located at a later date, immediately return it to the District Office. No attempt should be made to use the old card.

## **IF THE CARDHOLDER LEAVES THE DISTRICT OR CHANGES WORK LOCATION**

1. When a cardholder leaves the district, the cardholder must return the procurement card to the District Office.
2. Contact the District Office if you are transferred to another work location.

## **IF THERE IS AN ERROR ON THE STATEMENT OR OTHER PROBLEM**

In case of discrepancies or disputed charges, the supplier should be contacted first. Most exceptions or issues can generally be resolved between the cardholder/card custodian and the supplier/merchant by way of an adjustment that would appear on the next statement. If the cardholder/card custodian is unable to obtain an acceptable resolution, District Office should be contacted for assistance.

## **RETURNS / CREDITS / DISPUTED ITEMS**

If a purchased item needs to be returned for any reason, arrangements should be made with the supplier/merchant to have the item shipped/delivered to the supplier's place of business within 30 days. The cardholder should review subsequent statements to assure that this credit has been processed and posted to the procurement card account.

## **AUDITS**

To ensure the continued success of the procurement card program and in order to meet audit requirements, reviews of the cardholders' transaction files will occur. District Office will perform reviews of the procurement card documentation. The purposes of the review are to check that each purchase is authorized and to ensure procurement card procedures are being followed.

Requests for assistance with use of procurement cards or questions about limits, card restrictions, suppliers, or to process a formal dispute on a transaction should be forwarded to the District Office.

## **HOME DEPOT CHARGE CARD Allowable Purchases:**

The Home Depot charge card may be used only to make purchases that are currently allowable under the purchase order or expense reimbursement processes. Purchases are for district use ONLY. The Home Depot charge card will not be used for purchasing capitalized items that are theft sensitive.

## **HOME DEPOT CHARGE CARD CHECKOUT PROCEDURES**

At the district level or the building level, Home Depot charge cards may be checked out from

the card custodian for authorized purchases. Employees must follow the following procedures:

1. Complete the purchase requisition process.
2. Check out the Home Depot Charge Card from the Card Custodian if applicable.
3. Provide **an itemized receipt copy** to the card custodian.
4. Return the credit card to the card custodian.
5. Card custodian shall submit the itemized receipts to the Accounts Payable Department for payment.