

CHAPTER 24

PURCHASING CARD PROCEDURES

24-1 INTRODUCTION

The School Board of Palm Beach County, Florida has authorized the use of a Purchasing Card to expedite small dollar purchases for materials, supplies, and other items needed for daily operations. The Purchasing Card represents another step in simplifying District financial transactions and saving on administrative costs while offering schools/departments broad choices in card-based services. Purchasing Cards will be issued to school and department staff as an alternative method for making purchases.

This Purchasing Card Program is designed to empower selected school and department employees to make purchases equal to or less than \$1000 per vendor, per day in accordance with District Purchasing Policies, Procedures, and Guidelines. Employee Reimbursements with receipts is another means of handling low dollar purchases. The School District no longer utilizes the Direct Pay Process. The goals of this program include the following:

- Replace the manual Direct Pay process.
- Allow more convenient and expedient methods of purchasing small items.
- Offer an efficient, low-cost procurement and payment mechanism which significantly shortens the time between need and acquisition while providing management with monthly reports.
- Streamline payment process and reduce administrative costs for acquisitions of certain supplies.
- Provide flexibility to schools and departments to obtain authorized materials and supplies.

The District P-Card Administrator issues all Purchasing Cards and is responsible for establishing the card profiles that dictate card controls. All cardholders are associated with a card profile with limits that are pre-defined and enforced at the point of purchase by Bank of America. Limitations have been established for single (per vendor per day) and monthly transaction credit limits and the types of vendors from whom purchases can be made.

Principals/Directors; 1) shall appoint a P-Card Site Admin to manage the Purchasing Card Program at the school or department level, 2) have the flexibility to designate the employees assigned Purchasing Cards, and 3) accept responsibility that card purchases comply with District Purchasing Policies, Procedures and Guidelines as well as State Statutes when approving the cardholder's statement.

Although ultimately up to the Principal/Director, the cardholder is given inherent authority to spend budgetary funds when the Principal/Director approves an employee for cardholder privileges. **When a cardholder signs the Cardholder Acceptance Guidelines and Contract (PBSD 2077), the employee accepts responsibility for all purchases charged against the card and any liability from abuse or violation of the terms of the agreement.** The authorized cardholder, whose name appears on the face of the Purchasing Card, should purchase materials and supplies with the Purchasing Card assigned to them.

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24-2 PURPOSE

- 1) Establish a set of procedures for Purchasing Card usage.
- 2) Ensure Purchasing Card purchases are in accordance with District Policies, Procedures, and Guidelines.
- 3) Provide guidelines for corrective action if the Purchasing Card is misused.
- 4) Ensure the District bears no legal liability from inappropriate Purchasing Card usage.

24-3 DEFINITIONS

For the purposes of this Purchasing Card Procedure Manual, the following terms, phrases, and words shall have the meaning given herein.

Cardholder - The District employee issued a purchasing card that is responsible for all transactions made on the card.

Cardholder Profile - The description of the cardholder's single and monthly transaction limits, blocked Merchant Category Codes (MCCs), default G/L Account Strip, reporting hierarchy, physical address, and associated P-Card Site Admin.

Single Transaction Credit Limit - Restricts the dollar amount of the cardholder's individual purchase established by the type of card profile.

Director - Responsible for overseeing the Purchasing Card Program in their department which includes: 1) appointing the P-Card Site Admin, 2) designating the employees assigned Purchasing Cards, and 3) reviewing and approving purchases made by Cardholders.

District P-Card Administrator - The individual appointed by the Director of Purchasing to support the administrative functions of the Purchasing Card Program within the District.

Generic Card - A Purchasing Card issued in the name of a School or Department with the name of an activity or type of expense embossed, but without an individual's name on the card. This card has all of the same controls as a regular purchasing card, such as the single and monthly transaction credit limits, but liability lies with the District.

Issuing Bank - The bank that issues the Purchasing Cards (VISA cards) in the District's name and to whom the District pays the monthly charges. Currently the issuing bank is Bank of America.

MCC - Merchant Category Code, a code established by VISA that describes the merchant's primary business.

Merchant - Any organization that sells commodities, services, equipment, or construction to the District. Same as Supplier or Vendor.

Monthly Credit Limit - Restricts the dollar amount of the cardholder's cumulative purchases for each billing period established by the type of card profile.

Principal - Responsible for overseeing the Purchasing Card Program in their school which includes: 1) appointing the P-Card Site Admin, 2) designating the employees assigned Purchasing Cards, and 3) reviewing and approving purchases made by Cardholders.

Procurement - Includes purchasing, buying, renting, leasing or otherwise acquiring any commodity, service, or equipment.

Procurement Card - Same as a Purchasing Card.

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P-Card Site Administrator (Admin) - The individual appointed by the Principal/Director to support the Purchasing Card administrative functions within the school or department.

PM - Purchasing Manual.

Purchasing - Same as Procurement.

Purchasing Card - The VISA card issued by the District to use in place of Direct Pays for purchases less than \$1000.

Purchasing Card Company - Same as Issuing Bank.

Purchasing Card Site Coordinator - Same as P-Card Site Admin.

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Pyramiding - When a cardholder subdivides an order to circumvent the Purchasing Policies, Procedures, and Guidelines, such as splitting a payment to stay within the single purchase limit. This is not allowed.

Supplier - Same as Merchant.

Vendor - Same as Merchant.

24-4 PURCHASING CARD TRANSACTION FLOW

- Cardholder places an order by phone, fax, mail, Internet, or over-the-counter. This is the transaction date.
- Merchant receives authorization for the purchase.
- Cardholder receives goods or services with invoice/receipt.
- The transaction is posted to the Issuing Bank, currently Bank of America. This is referred to as the posting date.
- An electronic transaction file is received daily from Bank of America with all of the previous day's posted transactions and downloaded into the PeopleSoft financial system.
- The Purchasing Card transactions should be reclassified to the correct funding and approved on a daily basis to ensure that the budget is kept current.
- In order to pay the Monthly Bank of America Statement, all transactions not reviewed and approved by the third working day of the month will automatically be posted to each card's default funding. If this occurs, a Force Post report will be generated and emailed to the P-Card Site Admin. A Force Post schedule is provided each year and is posted on the Purchasing website.
- Bank of America provides the District with a combined Monthly Bank Statement for all District Purchasing Cards. The statement covers the period of the 28th of the previous month through the 27th of the current month. Payment is made by the District office electronically and made within 14 calendar days.
- At the end of each monthly cycle, each cardholder's purchase receipts must be reconciled against his/her individual Monthly Bank of America Statement. The monthly cardholder's reconciliation process should be completed and scanned by the 20th of the following month per bulletin P-13408-CAO/COO/P.

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24-5 WHO TO CALL FOR WHAT?

Purchasing, Accounting, and the P-Card Site Admin monitor program performance.

Reason	Who and Where to go	
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Card Lost or Stolen

Contact	Phone	Email
Bank of America	1.888.449.2273	n/a
Your P-Card Site Admin	Your Location	
District P-Card Administrator	434.8410 px 48410 434.8309 px 48309	Purchasing Card System

Purchasing Procedures

Contact	Phone	Email
Purchasing Manual	n/a	http://www.palmbeachschools.org/purchasing/bids/purch/manual/index.asp
Your P-Card Site Admin	Your Location	
District P-Card Administrators	434.8410 px 48410 434.8309 px 48309	Purchasing Card System

Reconciliation & Posting Questions

Contact	Phone	Email
Purchasing Manual	n/a	http://www.palmbeachschools.org/purchasing/bids/purch/manual/index.asp
District P-Card Administrators	434.8410 px 48410 434.8309 px 48309	Purchasing Card System

PeopleSoft Issues

Contact	Phone	Email
District P-Card Administrators	434.8410 px 48410 434.8309 px 48309	Purchasing Card System

Funding Questions

Contact	Phone	Email
Internal Accounts – Melanie Pitts	434.8675 px 48675	Melanie.pitts@palmbeachschools.org
Operating Funds – Assigned Budget Analyst	434.8837 px 48837	
Grant Funds – Assigned Grant Manager	n/a	
Capital Funds – Loretha McIntyre	434.8198 px 48198	loretha.mcintyre@palmbeachschools.org

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24-6 DUTIES AND RESPONSIBILITIES

A. Cardholder Duties and Responsibilities:

Cardholders hold a public trust and must meet the highest ethical standards. Cardholders shall:

Daily or Ongoing

- Hold and safeguard their Purchasing Card and account number at all times.
- Ensure the Purchasing Card is used for official District purposes only. No personal use is permitted.
- **Ensure purchased item falls within the cardholder's authorized purchasing limits and available budgeted funds.**
- **Purchase items according to District Policies, Procedures, and Guidelines.**
- **Confirm sales tax is not paid.** Purchases made in Florida and for use in Florida, are exempt from Florida sales tax. Although the tax-exempt identification number is printed on the face of the purchasing card, cardholders are also given a Consumer's Certificate of Exemption to use if additional documentation is needed. (Note: Your Consumer's Certificate of Exemption is to be used solely by your organization and applies only to purchases your organization makes. Under no circumstances should this certificate be used for the personal benefit of any individual.) Purchases made in other states are subject to that state's sales tax. The cardholder must be diligent when dealing with the merchant regarding taxes. If the merchant cannot deduct the sales tax because of pre-set controls within their computer systems or will not honor the exemption, the cardholder may continue with the purchase but must note the refusal on the receipt. The cardholder cannot dispute taxes with Bank of America.
- Not receive any cash back for refunds or exchanges; refunds or exchanges must be credited back to the Purchasing Card.
- Attempt to resolve discrepancies with vendors and formally dispute transactions when necessary.
- Report lost, stolen, or missing cards immediately to:

Contact	Phone	Email
Bank of America	1.888.449.2273	n/a
District P-Card Administrator	434.8410 px 48410 434.8309 px 48309	Purchasing Card System

- Cardholders need to contact the bank and complete required documentation as requested by the Bank.
- When leaving school or department the card needs to be closed.

Contact	Phone	Email
District P-Card Administrator	434.8410 px 48410 434.8309 px 48309	Purchasing Card System

- Turn your card into you P-Card Site Admin to be shredded

Monthly Cardholder Reconciliation

Cardholder reconciliation is the process of the cardholder gathering, reviewing, and providing documentation to support that each purchase transaction appearing on the cardholder's billing statement is an appropriate, legitimate District purchase. The cardholder should:

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- 1) Provide receipts to P-Card Site Admin in a timely manner (as transactions occur).
- 2) Ensure the Monthly Bank of America Statement is date stamped upon receipt.
- 3) Complete the End-of-Cycle Checklist for Cardholder (*PBSD 2095*).
- 4) Review Monthly Bank of America Statement.
 - a. Match each original receipt with each statement line item and identify any unauthorized purchases.
 - b. Attach signed receipts to statement. If the receipt/invoice is missing:
 - i. Complete Missing Receipt Form (*PBSD 2094*).
 - ii. Include copy of the Missing Receipt Form in Reconciliation package.
- 5) Check for any pending discrepancies or disputes.
 - a. Review last month's End-of-Cycle Checklist for discrepancies and disputes, if:
 - i. None, continue to next step.
 - ii. Resolved, put check mark by item.
 - iii. Unresolved, circle item and carry forward.
 - iv. Attach credit slip when credit is processed
 - b. Identify any current discrepancies or disputed items by making a notation on the Monthly Bank of America Statement and track on Cardholder's End-of-Cycle Checklist (*PBSD 2095*).
 - c. Ensure all discrepancies are filed as disputes that should be.
- 6) Sign Monthly Bank of America Statement approving all purchases and verifying that they balance.
- 7) Deliver the following to the P-Card Site Admin:
 - a. Cardholder's End-of-Cycle Checklist.
 - b. Cardholder Monthly Bank of America Statement with signed receipts, invoices and any other required backup documentation.

B. P-Card Site Admin Duties and Responsibilities:

Daily or Ongoing

- Receive receipts, invoices, and/or packing slips from cardholders as transactions occur.
- When a transaction appears in PeopleSoft, confirm the Funding is correct and approve. This procedure is recommended on a daily basis, but at a minimum weekly.
- To avoid any duplicate payments, check Missing Receipt forms received in the last 60 days.
- Confirm the person who ordered the items signs receipts/invoices and sales tax was not charged. If sales tax is found, inform cardholder to request Purchasing Card credit adjustment from vendor.

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- Assist in handling disputed charges identified by the cardholder. Verify a Commercial Card Claims Statement of Disputed Item form is filed with Bank of America for any unresolved items over 45 days.
- Assist in Purchasing Card application process, PBSO 2076.
- Serve as liaison between cardholder and District's Procurement Card Administrator
- Email the District P-Card Administrator and Principal/Director if a card is lost/stolen or needs to be closed.

Monthly Reconciliation

- 1) Confirm the cardholder has provided their Month End Reconciliation package which includes the Cardholder End of Cycle Checklist, Monthly Bank of America Statement and all signed receipts and invoices with any additional required documentation, such as email confirmations, TDE's, etc.
- 2) Ensure discrepancies and disputed items (credits due) are listed on Cardholder's End-of-Cycle Checklist (*PBSO 2095*).
- 3) Verify cardholder signed the Monthly Bank of America Statement.
- 4) Review PeopleSoft Monthly Transaction Statement
 - a. Verify PeopleSoft transaction total agrees to the Monthly Bank of America Statement.
 - b. Check each transaction Funding Strip for accuracy and Approve.
 - c. Review PeopleSoft Monthly Transaction Statement and Month-end Force Post report and request Journal Entries* to move transaction funding if required.
- 5) Optional: Complete End-of-Cycle Checklist for P-Card Site Admin (*PBSO 2095*).
- 6) Deliver the following to the Principal/Director for final approval.
 - a. Cardholder's End-of-Cycle Checklist.
 - b. Monthly Bank of America Statement
 - c. PeopleSoft Monthly Transaction Statement
 - d. Signed receipts and invoices with any additional required documentation, such as email confirmations, approved TDE's, etc.
- 7) Once Principal/Director signoff is received, scan completed packages on the IKON copier. Complete PBSO 2343 and attached scanned packages should be completed by the 20th of the following month. File original reconciliations at school/department for 3 years.

*Journal Entry requests for:

- **Internal** Accounts, complete PBSO 2242 and send to Sharon Buono.
- **Operating** funds, provide a copy of the PeopleSoft Monthly Transaction Statement with corrected funding to Karen Miller.
- **Grant** funds, provide a copy of the PeopleSoft Monthly Transaction Statement with corrected funding to Annette Pinnock.
- **Capital** funds, provide a copy of the PeopleSoft Monthly Transaction Statement with corrected funding to Loretha McIntyre.

Copies of all journal entry requests should be kept with the Month end reconciliation.

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C. Principal/Director Duties and Responsibilities:

Daily or Ongoing

- Responsible for overseeing the Purchasing Card Program in school/department
- Exercise judgment and restraint in issuing Purchasing Cards to staff. Cards should only be issued to employees with a legitimate need to have a card.
- **Ensure the cardholder follows all required District Policies, Procedures, and Guidelines when making purchases using the Card.**
- Notify the District's Procurement Card Administrator when adding, removing, or transferring cardholders.
- Requesting spending control changes. An email outlining the additional limits with proper justification should be forwarded to Purchasing Card Administrator.
- Affirm the continuing need for each of their staff to have a card and related transaction credit limit.
- Inform the District's Procurement Card Administrator prior to leaving school or department.
- Retain the original cardholder's Monthly Reconciliation package and supporting receipts for a period of 3 years.

Monthly Reconciliation

- 1) Ensure each cardholder appropriately completes the monthly reconciliation by the 20th of the following month.
- 2) Review cardholder's Monthly Reconciliation package. Confirm the cardholder has provided their Month End Reconciliation package which includes the Cardholder End of Cycle Checklist, Monthly Bank of America Statement, PeopleSoft Monthly Transaction Statement and all signed receipts and invoices with any additional required documentation, such as email confirmations, approved TDE's, etc.
- 3) Optional: Complete End-of-Cycle Checklist for Principal/Department Head (*PBSD 2095*).
- 4) Approve and sign Monthly Bank of America Statements, accepting responsibility that the purchases are appropriate legitimate District purchases and comply with District polices.
- 5) Provide signed Monthly Reconciliation packages back to P-card Site Admin for scanning and retention.

24-7 PURCHASING GUIDELINES FOR CARDHOLDERS

Authorized cardholders can purchase materials and supplies of \$1000 or less with the Purchasing Card assigned to them. The cardholder should verify budgetary funds available prior to purchasing items; if funds are **not** available in the budget, do **not** charge it. If guidance is needed when choosing an item, contact the appropriate Purchasing Agent.

- P-Card cardholders are responsible for reviewing the accuracy of the charges. They should confirm compliance with bid terms and conditions and verify the delivery of goods.
- P-Card cardholders must retain detailed vendor invoices for the monthly account reconciliation. At the close of each billing period, VISA will send a statement to each cardholder and they will review it

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for accuracy, attach the invoices to the bank statement, sign the bank statement, and forward it to the Purchasing Card Site Coordinator for review and records retention.

A. TYPES OF PURCHASES

Regular Purchases. Catalogs from contracted vendors should be used to obtain item descriptions and pricing. Whenever possible, purchases should be made from vendors that provide discounts and special prices for the District. For a listing of District discounts, see <http://www.palmbeachschools.org/purchasing/bids/purch/bulletins/index.asp>.

Asset Purchases. Items such as furniture, fixtures, equipment, computer peripherals, and computer software are **not permitted for items > \$1000, but are allowable asset purchases if < \$1000**. If purchasing computer peripheral equipment, fax machines, printers, etc., see the District's recommended list <http://www.palmbeachschools.org/purchasing/bids/Purch/computer/index.asp>.

Purchases of “all” computers are prohibited with the Purchasing Card

Travel Purchases. The District Policies, Procedures, and Guidelines regarding travel apply to all Purchasing Card travel related transactions. See **Florida Statutes 112.061 (13), (12), (3)(e); School Board Policy 6.01 and 6.14(2) (d) &(e)**. When using a Purchasing Card for travel:

- For Out-of-state travel, obtain sign-off on TDE from CAO or COO prior to incurring any charges.
- If travel is allowed on your card, the card can be used as a room guarantee when making a hotel reservation. If for some reason the room(s) is no longer required, it is the cardholder's responsibility to cancel the reservation prior to the hotel's cancellation deadline.
- If your Principal/Director's Purchasing Card was used to reserve a room, often the hotel has a standard form for the cardholder to complete, sign and fax back which allows the room to be charged without the cardholder's presence.
- Rental Cars – AVIS is the District's preferred vendor. Please contact Maria Telfair at 561.434.8096 / px48096 to obtain an AVIS voucher. If AVIS is not available, then your P-Card may be used at an alternate source with prior approval from P-Card Admin. Please make sure to solicit the best rates for the rental.
- Gas purchases are allowed for rental vehicles only. Gas is not allowed to be purchased on the P-Card when using a personal vehicle.

Registration/Conference Fees. All Registration/Conference Fees should be paid using your p-card. If the dollar amount exceeds your daily or monthly limit, then please contact 'Purchasing Card System' and request a temporary increase. If the entity does not accept p-cards then enter a special request requisition in PeopleSoft. NOTE: Conferences held on school district property can only be considered registration if the public is invited to attend. Otherwise, they should be handled as a consultant using Form 1420.

Placing personal charges on the purchasing card and then later having the amount deducted from the travel reimbursement form is not allowed.

B. CARD LIMITATIONS AND RESTRICTIONS

When using the card, reasonableness, common sense and discretion should prevail. Purchases should be made within the District's Policies, Procedures, and Guidelines as well as any grant constraints.

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C. CARDHOLDER USE ONLY

The Purchasing Card shall only be used by the employee whose name is embossed on the card. No other person is authorized to use the card. The cardholder is responsible and accountable for all transactions that occur on his/her card.

Upon receipt of the Purchasing Card, the cardholder should NOT sign the back of the card, but, should write one of the following: REQUEST PHOTO ID or REQUEST DRIVERS LICENSE. This is to help prevent fraudulent use of the card by unauthorized individuals.

District Purchases Only

The Purchasing Card may be used by the cardholder for District authorized purchases only and not for personal use. Expenditures on the p-card for personal use will require **immediate** reimbursement and will result in disciplinary action which may include dismissal and/or criminal prosecution.

Dollar Limitations

The Principal/Director chooses the card profile which establishes the card's single and monthly transaction credit limit.

Pyramiding

A purchase may be made for multiple items, but the total invoice cannot exceed the \$1,000 limit. Splitting an invoice totaling more than \$1,000 is considered Pyramiding and is not allowed. Payment for purchases shall not be split to stay within the single purchase limit. A requisition in PeopleSoft should be created.

Budget Limitations

The cardholder must ensure that budgeted funds are available to cover the amount of any purchases made.

Prohibited Expenses

Although not inclusive, the following expenditures are not authorized Purchasing Card purchases:

- Cash Advances & Money Orders
- Personal use
- Alcohol or drugs
- Food except where allowed by funding and with appropriate documentation
- Purchases greater than \$1000, except for travel when allowed
- Chemicals and custodial supplies (except in special circumstances with pre-approval from District P-Card Admin/Director of Purchasing)
- Any and all computers (excludes peripheral equipment)
- Salary and monetary awards
- Gift certificates or gift cards (except in special circumstances for students with pre-approval from District P-Card Admin/Director of Purchasing) Bulletin P-12690-CAO/COO/P
- Services - Consulting, professional, and temporary services (call District P-Card Admin with any questions on what is considered a service)
- Maintenance and rental agreements (any contracts or services except in special circumstances with pre-approval from District P-Card Admin/Director of Purchasing)
- Beautification and decoration accessories such as plants, pictures, etc.
- Taxes, late penalties/fees, and interest charges
- Cell phones, Blackberry's, PDA's and beepers, including upgrades (only accessories allowed)
- Utilities and telephone services and cell phone service
- Gas, except for rental vehicles and District Golf Carts and blowers
- Rental Cars – Avis is the District preferred vendor. If Avis is not available, prior approval is required. Contact the P-Card Admin per bulletin P-13004-COO/P

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24-8 PLACING AN ORDER WITH A VENDOR

Each card has been established with spending controls, including single and monthly credit limits and the types of vendors from whom purchases can be made.

If your purchase is denied, contact your P-Card Site Admin or the District P-Card Administration.

Contact	Phone	Email
District P-Card Administrator	434.8410 px 48410 434.8309 px 48309	Purchasing Card System

Purchasing Card orders can be placed by one of the following ways.

A. Telephone, Fax Or Mail Order

- 1) Request from vendor:
 - a) Any documentation from the vendor should be sent to cardholder's school or department.
 - b) Notify vendor the District is tax exempt. If the vendor requires a tax-exempt form, a copy of the tax exempt certificate is provided with each card or a form can be obtained from the Purchasing Department's Website:
<http://www.palmbeachschools.org/purchasing/bids/purch/vendor/taxexempt.pdf>.
- 2) When the item is received:
 - The cardholder should approve the purchase by **signing the receipt, invoice, or packing slip**.
 - If the items purchased are not specifically identified, then handwrite the name of the vendor, date of purchase, item description, and price for each item purchased.
 - Submit the documentation to the P-Card Site Admin in a timely manner so that the transactions can be funded correctly.

B. Internet

- 1) When purchasing on the Internet, make sure that Internet Explorer displays 'https' in the address bar. If this prompt does not appear, **do not** proceed with the transaction. Purchases on the Internet are allowed only on secured websites.
- 2) The billing address should be completed with the school or department's billing address, not the Districts.
- 3) Notify vendor the District is tax exempt. If the vendor requires a tax-exempt form, a copy of the tax exempt certificate is provided with each card or a form can be obtained from the Purchasing Department's Website:
<http://www.palmbeachschools.org/purchasing/bids/purch/vendor/taxexempt.pdf> .
- 4) Print the email order confirmation in order to show paid receipt. If not printed and/or lost, use the packing slip as a substitute receipt.
- 5) When the item is received:
 - The cardholder should approve the purchase by **signing the receipt, invoice, or packing slip**.
 - If the items purchased are not specifically identified, then handwrite the name of the vendor, date of purchase, item description, and price for each item purchased.

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- For each transaction, staple together receipt, invoice, charge slip, packing slip, and any required approval.
- Submit the documentation to the P-Card Site Admin in a timely manner so that the transactions can be funded correctly.

C. Over-the-counter

- 1) Notify vendor the District is tax exempt. If the vendor requires a tax-exempt form, a copy of the tax exempt certificate is provided with each card or a form can be obtained from the Purchasing Department's Website:
<http://www.palmbeachschools.org/purchasing/bids/purch/vendor/taxexempt.pdf> .
- 2) Obtain paid receipt, charge slip, and any other supporting documentation when appropriate.
- 3) The cardholder should approve the purchase by **signing the receipt, invoice, or packing slip**.
- 4) If the items purchased are not specifically identified, then handwrite the name of the vendor, date of purchase, item description, and price for each item purchased.
- 5) Submit the documentation to the P-Card Site Admin in a timely manner so that the transactions can be funded correctly.

24-9 CREDITS DUE

A. RETURNS

All returns of merchandise for which credit is given should be listed on the Cardholder's End-of-Cycle Checklist until the credit appears on the Monthly Bank of America Statement. The cardholder must check subsequent billing statements for credit and attach the credit slip to the statement when it appears. If a credit slip was not obtained, attach other documentation explaining the return. If a credit does not appear by the second subsequent statement, it is the cardholder's responsibility to immediately file a dispute with Bank of America and notify the District P-Card Administrators.

B. DUPLICATE CHARGES

These transactions represent a multiple billing to your account when only one charge from the merchant has been authorized.

- When this takes place, request a credit on your Purchasing Card from vendor and track on End-of-Cycle Checklist.

C. ITEMS NOT RECEIVED

Occasionally, an item charged during the previous billing cycle may not be received by the time the cardholder performs the monthly reconciliation process. If this occurs, track the item as a credit due on the Cardholder's End-of-Cycle Checklist until resolved.

24-10 FUNDING TRANSACTIONS (P-Card Site Admin)

- Log into PeopleSoft, Financials FNPRD link. Go to Purchasing>Procurement Card>Reconcile Statement.
- Choose from dropdown menus for 1) Role Name (P-card Site Admin); 2) Card Issuer (BOA Visa Card) and 3) Bill Date. Click on Search button. P-card transactions for the chosen criteria will appear.
- If Budget status and Chartfield Status are **valid**, and the default funding strip is correct, then the transaction status can be changed from Staged/Verified to Approved. Approve using the dropdown

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or by checking the box to the left of the transaction and clicking the Approve button. Remember to click the save button.

- To review or change funding, click on the Distribution icon. The account distribution page will appear and funding can be changed. If funding is correct, then click the cancel button to return to the Reconciliation Statement page. Approve using the dropdown or by checking the box to the left of the transaction and clicking the Approve button. Remember to click the save button.
- If funding is not correct, change to the correct funding and click ok to save the changes and return to the Reconciliation Statement page. Budget Status will reflect Not Checked. Budget check the transactions by placing a check in the box next to each transaction that is in Not Checked status and click on the Validate Budget button. When budget checking is completed and both the Budget status and Chartfield Status are **valid**, then Approve using the dropdown or by checking the box to the left of the transaction and clicking the Approve button. Remember to click the save button.
- If budget status is in error, click on the error link. A new budget exception window will open and provide the exception reason. Close budget exception window by clicking on the red x to return to Reconciliation Statement page. Refer to budget guide for instructions on how to correct budget errors. When budget error is corrected, validate, approve and save as described above.

24-11 MONTHLY PROCESS

A. MONTHLY CYCLE

All transactions must be funded and approved by the P-card Site Admin by the Force Post date. After this date, transaction will be force posted, which is undesirable, but necessary in order to pay the Monthly Bank of America statement. When a transaction is force posted, it will most likely be either put the school or department in an over budget status or be charged to the cardholder's default account because no action was taken to reconcile. It is the responsibility of the P-card Site Admin to review the Monthly PeopleSoft Transaction Report and Month-end Force Post report and request journal entries or initiate a budget amendment to correct mis-funded transactions.

B. BILLING CYCLE

The Purchasing Card monthly billing cycle is from the 28th of the previous month through the 27th of the current month.

C. MONTH-END RECONCILIATION

Based on Duties and Responsibilities described above for:

- 1) Cardholder
- 2) P-Card Site Admin
- 3) Principal/Director

24-12 YEAR-END PROCESS

The year-end process is the same as the month-end process; the only difference is that the cardholder needs to allow enough time for transactions to **post on or before the 27th of June**. Transactions which post by June 27th (not the transaction date) will be charged to the current fiscal year; all transactions **posted after June 27th will be charged to the next fiscal year**, even if the transaction date is before June 27.

24-13 PURCHASING CARD ASSIGNMENT AND CONTROL

A. CARD SECURITY

Each cardholder is responsible for the security of their Purchasing Card; all precautions should be used to maintain confidentiality of all related information, such as cardholder account number and expiration date. The bank does not maintain the individual cardholder information such as personal credit records and social security numbers, only the cardholder's work address and phone number. The card should be treated in the same manner as you would treat your own personal credit card.

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All Purchasing Cards will have the School District's name, logo, tax exemption number, and the card's expiration date embossed on the face of the card. Each card is associated to a profile with limits that are pre-defined and enforced at the point of purchase. Controls are established for single transaction limits, monthly transaction limits, and types of vendors from whom purchases can be made.

B. CARDHOLDER APPLICATION

The Cardholder Application is currently available on the District website as PBSD 2076.

1) Procedures for Requesting a Purchasing Card

a. Principal/Director:

- Appoint a P-Card Site Admin to manage the Purchasing Card Program at the school or department level (usually the school's bookkeeper or department's secretary).
- Consider the following factors when choosing a cardholder and appropriate card profile:
 - Decide which employee(s) should have a Purchasing Card; only School District employees may be issued a Purchasing Card.
 - Assess whether the person is trustworthy and fiscally responsible with District funds.
 - Consider the employee's need for the card; Purchasing Cards may be issued to individual employees who frequently purchase goods and services.
 - Each card must have a designated default Fund Strip used for Purchasing Card expenditure coding; this default strip should be the one used most often by the cardholder.
- Approve and sign Purchasing Card Application (PBSD 2076).

b. P-Card Site Admin:

- Assist those applying for new cards as needed.
- Complete the Purchasing Card Application form funding information
- Review completed applications for any errors. Revise as necessary.
- Deliver the Applications to the Principal/Director for approval.
- Distribute Application Forms:
 - a. Forward the approved original application form(s) to the District P-Card Administrator, Suite A – 323, FHESC.
- After cardholder is assigned a card, verify access to cardholder in PeopleSoft

c. Cardholder:

- Complete Purchasing Card Application (*PBSD 2076*) by following the instructions with the application, print and sign.

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- View the required on-line training session on proper card usage on Train U, complete the quiz and complete Cardholder Acceptance Guidelines and Contract (*PBSD 2077 in Liquid Office*) to receive a Purchasing Card. Purchasing Cards will not be issued without viewing the P-card Training Video, completion of the quiz and Cardholder Acceptance Guidelines and Contract (*PBSD 2077 in Liquid Office*). This training must be completed each fiscal year per Bulletin P-13409-CAO/COO/P
- Activate the card by following standard security activation procedures included in e-mail notification of card release.
- Use Purchasing Card according to District Policies, Procedures, and Guidelines.

C. ACCOUNT CHANGES

Cardholder's Principal/Director Leaves

When the cardholder's approving Principal/Director transfers to another school/department or leaves the District:

- 1) The Principal/Director leaving should inform the District P-Card Administrator of the event via e-mail.
- 2) The new Principal/Director should obtain a listing of current cardholders at his/her new location from the District P-Card Administrator and confirm all cardholders still require cards.

Cardholder Transferred or Promoted Within Same Location

If a cardholder is transferred or promoted within the same school/department, the Principal/Director has the choice of either canceling the employee's purchasing card(s), or requesting a change regarding the Card Profile and/or default funding. All requests must be made in writing to the District P-Card Administrator via email to 'Purchasing Card System'.

D. ACCOUNT TERMINATION

Purchasing Card is lost, stolen or missing:

If a Purchasing Card is lost, stolen, or missing, the cardholder must immediately notify Bank of America at 1-888-449-2273.

As soon as possible during normal business hours,

Cardholder should notify the P-Card Site Admin, and if not available, the Principal/Director.

P-Card Site Admin (or the Principal) should immediately notify the District P-Card Administrator at px 48221/48410/48309 or via email at Purchasing Card System.

Card Lost or Stolen

Contact	Phone	Email
Bank of America	1.888.449.2273	n/a
Your P-Card Site Admin	Your Location	
District P-Card Administrator	434.8410 px 48410 434.8309 px 48309	Purchasing Card System

Cardholder Transferred to a different Location

If a cardholder is transferred or promoted to a different school/department, the Principal/Director or P-Card Site Administrator should notify the District P-Card Administrator, in writing via (Purchasing Card System) purchasingcards@palmbeachschools.org, to close the card. Request should include cardholder's name only.

Credit card numbers should never be sent via e-mail.

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E. RIGHT TO CANCEL OR INACTIVATE A CARD

The District reserves the right to cancel or to temporarily inactivate any Purchasing Card at the discretion of the District P-Card Administrator or any District Official.

The cardholder may terminate his/her account at any time by calling Bank of America at 1-888-449-2273 and by notifying the P-Card Site Admin. P-Card Site Admin should notify the District P-Card Administrator.

A Principal/Director may request his/her employee's Purchasing Card closed at any time. Cancellation can be accomplished by notifying the District P-Card Administrator, in writing via (Purchasing Card System) purchasingcards@palmbeachschools.org.

When the Purchasing Card is cancelled, the P-Card Site Admin should email the District P-Card Administrator via (Purchasing Card System) purchasingcards@palmbeachschools.org, with the cardholder's name only.

Credit card numbers should never be sent via e-mail.

F. ABUSE / VIOLATIONS

Participation in the District's Purchasing Card Program is a convenience that carries responsibilities along with it. Purchasing Cards are the property of the School District of Palm Beach County and shall be used with good judgment. Cardholders are expected to comply with the District Purchasing Policies, Procedures and Guidelines in order to protect District assets. This includes keeping receipts, reconciling monthly statements, and following proper card security measures.

Improper use of the card can be considered misappropriation of District funds, which may result in disciplinary action up to and including termination and/or criminal prosecution. See *Disciplinary Action Guidelines, section G, p 24-16.* Acts of abuse, misuse, and violation, include but are not limited to:

- Purchase of items in excess of authorized amounts or budgeted funds.
- Purchase of unauthorized or prohibited goods/services.
- Making multiple transactions with the same vendor, on the same day, to circumvent single transaction limits (pyramiding).
- Not providing proper documentation, receipts, invoices, monthly statements, etc.
- Purchase of capital outlay items (requiring Purchase Orders).
- Purchase from vendors which creates a conflict of interest, such as a relative.
- Purchase of personal goods/services.
- Failure to report a lost or stolen card in a timely manner.
- Not performing the Cardholder Monthly Reconciliation in a timely manner.

G. DISCIPLINARY ACTION GUIDELINES FOR PURCHASING CARD MISUSE & PYRAMIDING

The purpose of the Purchasing Card is to expedite small dollar purchases for materials, supplies, and other items needed for daily operations.

Although budget is ultimately the responsibility of the Principal/Director, the cardholder is given inherent authority to spend budgetary funds when the Principal/Director approves an employee for cardholder privileges. When a cardholder signs the Cardholder Acceptance Guidelines and Contract (*PBSD 2077*), the employee accepts responsibility for all purchases charged against the card and any liability from

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abuse or violation of the terms of the agreement, up to and including termination of employment. Disciplinary action will be determined based upon the severity of the non-compliance and will be up to the Principal, Director, CAO, COO and District Compliance Office.

This Purchasing Card Program is designed to empower selected school and department employees to make purchases equal to or less than \$1000 per vendor, per day in accordance with District Purchasing Policies, Procedures, and Guidelines.

Pyramiding, or fragmenting, is making a purchase greater than \$1,000 and paying for the item(s) in separate payments of less than \$1,000 over an interval of time. Individual purchases to any merchant may not exceed \$1000. Intentional fragmenting of a purchase is not allowed based on District Purchasing Policies, Procedures and Guidelines. A requisition must be entered for purchases for greater than \$1,000.

Notification of Possible Procedure Non-Compliance

The following process has been established for notification of Purchasing Card non-compliance:

1. An e-mail will be sent to the cardholder with the 'Cardholder Notification of Possible P-Card Non-Compliance' form (replacing Abuse Notification Form). The form will notify the cardholder of the possible procedure violation and the necessary documentation required.
2. The Cardholder's Principal or Director will be copied on the e-mail correspondence as their signature is required on the 'Cardholder Notification of Possible P-Card Non-Compliance' form.
3. The cardholder will have 5 business days from the e-mail notification to fax their response to the District P-Card Administration. **If cardholder does not provide requested documentation within 5 business days from e-mail notification, their P-Card will be suspended.** P-Card suspension will be lifted when adequate documentation is received or, if determined necessary, cardholder attends re-training.
4. Original documentation should be kept with the Month End P-Card Reconciliation.
5. Determination of whether or not there is non-compliance will be made within 5 business days of receipt of adequate documentation.
6. Upon the second occurrence, notification will be made to the Area Superintendent.
7. On the third occurrence, the P-Card will be suspended for the remainder of the fiscal year or terminated indefinitely. Notification will be made to the CAO or COO.

Notes: If the purchase in question was for non-approved or questionable items, the Chief Academic Office will be copied on the request for information, as well as the responses received.

24-14 DISCREPANCY AND DISPUTE PROCEDURES

A. DISCREPANCIES

A discrepancy is any billing difference with a vendor that is unresolved; the majority of discrepancies can be resolved amicably between the cardholder and vendor. See *Credits Due*, section 24-9, p 24-11.

Tracking a Discrepancy

Cardholder should attempt to resolve the discrepancy with the vendor in a timely manner. Discrepancies should be tracked by listing the item on the Cardholder's End-of-Cycle Checklist until resolved. If there is no resolution with 45 days of the transaction date, then file a formal dispute.

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B. DISPUTES

A dispute is any discrepancy that cannot be resolved between the cardholder and vendor. The District handles disputed transactions through a "pay and confirm" process. In this process, payment of invoices is made promptly, subject to follow-up verification of receipt and acceptance of goods. Bank of America will:

- Issue temporary credit from the balance due when a dispute is properly initiated and received.
- Resolve most disputes within 30 days and all disputes within 180 days.
- Notify the cardholder in writing of the dispute resolution.

Filing a Dispute

A formal dispute must be filed with Bank of America no later than 45 days of the billing close date.

Please complete the Commercial Card Claims Statement of Disputed Item form located on the District Website under Forms. The form should be completed and faxed to Bank of America at (888) 678-6046 and a copy sent to the District P-Card Administrator. Print fax confirmation for proof of delivery and attach to dispute form. Copy dispute form and confirmation; hand deliver copies to P-Card Site Admin for filing with the Month-end Reconciliation.

C. COMMON CAUSES OF DISPUTES

Items Billed but Not Received. The most common reason for cardholder disputes involves transactions for items billed but not received. Sometimes the item that you charged may not be received until the next billing cycle. If the item does not arrive by the time the next billing statement is received, the transaction must be formally disputed. Cardholders are requested to wait 30 days prior to disputing non-receipt of billed items. This waiting period eliminates the requirement for cardholders to initiate a formal dispute for purchases that may be received during the next billing cycle.

Erroneous Charges. If a cardholder receives a Monthly Billing Statement that lists an unauthorized or incorrect charge, the cardholder must try to resolve the charge with the vendor. After the cardholder makes a reasonable attempt to resolve the situation with the vendor and the situation cannot be resolved, the transaction must be formally disputed with the bank. Suspected FRAUD is the only exception to this policy.

Merchandise Returned. Your account has been charged for the transaction, but you have documented evidence, such as a credit or refund slip, that the merchandise has since been returned.

Defective Items. If items purchased with the District's Purchasing Card are found to be defective, the cardholder must obtain replacement of the item or correction of the defect as soon as possible. If the merchant refuses to replace or correct the faulty item, then the purchase of the item must be formally disputed.

Duplicate Charge. The transaction represents a multiple billing to your account when only one charge from the merchant has been authorized.

24-15 REPORT PRINTING INSTRUCTIONS

Monthly PeopleSoft Transaction Reports and Force Post reports are generated and e-mailed to each P-Card Site Admin once District P-Card Administrators finish the end of month close process. If you are not receiving these reports, please contact the District P-Card Administrators at 'Purchasing Card System' e-mail.

Reports can also be generated on-demand: Purchasing>Procurement Cards>Reports

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24-16 P-CARD REVIEWS

The District Purchasing card team will:

- A. Monitor that monthly reconciliation packages are scanned each month for each active P-Card. Send reminders and temporarily close P-Cards, if necessary, to ensure users do not become delinquent completing their monthly reconciliations.
- B. Spot check some monthly reconciliation packages for completeness.
- C. No less than once each year, ensure that purchasing card limits are in line with usage.
- D. Cancel all P-Card access for cardholders who are terminated or transferred to a different position.

COMMONLY ASKED QUESTIONS & ANSWERS

For what types of purchases should I use the Purchasing Card?

The District's Purchasing Policies, Procedures, and Guidelines govern how you should use the Purchasing Card.

In what ways do I benefit from using the Purchasing Card?

When you use the Purchasing Card, you enjoy reduced paperwork, direct contact with suppliers, quick and efficient order processing, faster delivery, and reduced potential for errors and no out of pocket purchases.

How does the District benefit from the Purchasing Card Program?

When employees use the Purchasing Card, the District achieves greater productivity as a result of reduced paperwork, savings from one consolidated monthly statement with multiple vendor invoices, and greater control over spending.

What should I do if my Purchasing Card is lost, stolen, or missing?

You should call Bank of America Customer Service, toll-free, **1-888-449-2273** immediately, to report the Purchasing Card missing. In addition, an e-mail should be sent to District P-card Administration at 'Purchasing Card System'.

What do I do if a purchase is denied?

Your purchase may have exceeded the per vendor limit, monthly credit limit, or the District excluded that type of supplier or merchant. Contact the District P-Card Administration to determine the reason.

How is the monthly credit limit on my card determined?

The monthly credit limit is based on the default spending profile identified on the P-Card Application. These limits are set when the card is established on the bank system. The P-Card limit set at on the bank system does not change as the available money in your budget changes.

What should I do if I want to change my monthly credit limit?

Contact your P-Card Site Admin. Your Principal/Director will need to notify the District P-Card Administrators in writing. The new limit amount and reason for increase should be included in the request. If an increase is needed for a Principal's card, written approval from the Area Superintendent is required.

What is the per vendor per day (single transaction) limit on my card?

All cards are set to \$1,000 per vendor per day limit for goods. Travel purchases are the only exception – limits for travel related purchases are set to \$5,000 per vendor per day.

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What do I do if my purchase is for over \$1,000?

Create a requisition in PeopleSoft for any purchases that total over \$1,000. Do not place order with the P-Card and have the vendor split the charges to the P-Card. This is considered pyramiding which is against P-Card procedures.

How can I get travel added to my card?

Contact your P-Card Site Admin. Your Principal/Director will need to notify the District P-Card Administrators in writing to request that travel be added to your card.

Can the P-Card be used to buy Gift Cards?

The P-Card can be used to buy gift cards for students only. If your total gift card purchase will exceed the \$1,000 threshold, please contact the District P-Card Administrator so that credit limits can be adjusted accordingly. Gift cards **cannot** be purchased for staff. Please reference Bulletin P-12690-CAO/COO/P.

What is my default funding strip and how is it used?

A default funding strip is identified on the P-Card Application. This should be the funding that will be most frequently used for P-Card transactions. Every transaction that is loaded into PeopleSoft from the bank will post to your budget with the default funding. If the default funding is not appropriate for the transaction it can be changed under the Reconcile Statement page in PeopleSoft. Once funding is changed and budget validation process is run, your budget will credit the default funding and debit the new funding.

How do I change my default funding strip?

Request that your P-Card Site Coordinator send an e-mail to 'Purchasing Card System' e-mail requesting that the change be made. Once the change is made, any new transactions loaded from the bank will reflect the new default funding.

What should I do if a supplier does not accept the Purchasing Card?

Create a requisition. Also, contact the P-Card Site Admin, who will in turn contact the District's P-Card Administrator if necessary. The District's Procurement Card Administrator will work with the bank to solicit the vendor to accept Visa cards.

Will use of the Purchasing Card affect my credit report?

No. The Purchasing Card is a corporate liability card, and carries no personal liability for cardholders that use the Purchasing Card according to Bank of America's policy.

Whom should I contact to resolve an error or dispute concerning my account?

You should first contact the vendor. Most exceptions or issues can be resolved between you and the vendor. If you cannot resolve an issue with the vendor, contact Bank of America's Customer Service to start the dispute process and your P-Card Site Admin within 45 days. Your P-Card Site Admin will notify the District P-Card Administrator.

At year-end, which fiscal year will the transaction be charged to?

Transactions which the bank posts by June 27 (not the transaction date) will be charged to the current fiscal year; all transactions posted by the bank after June 27 will be charged to the new fiscal year, even if the transaction date is before June 27.