

MANSFIELD INDEPENDENT SCHOOL DISTRICT  
PURCHASING CARD POLICY & PROCEDURES

Program Administrators

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I. Purpose

The purpose of the Purchasing Card Program is to provide Mansfield I.S.D. with an efficient and controllable method of making small dollar transactions as well as high volume, repetitive purchases. Mansfield I.S.D. will issue cards via a selected bank, currently Citibank. The card will be primarily used in place of Hotel Check, Student Meal Money and small regular purchase orders, blanket purchase orders (where sales are made over-the-counter), emergency purchase orders and all other credit cards. This card policy is not intended to replace, but rather supplement existing purchasing policies.

II. Usage

A. The card will be used for the following:

1. Hotel Check Requests
2. Student Meal Money Requests
3. Any transaction that does not exceed \$1,000.00, or the cardholder's transaction limit.
4. Over-the-counter type retail purchases normally made using a charge account or other credit cards.
5. Any other business related purchase as long as:
  - A. The vendor is a bid-approved. The Purchasing Department has set up the approved vendors through a formal bid process and the approved vendor's list address.
  - B. In the event a purchase is required and there is not an approved vendor, the cardholder must get prior approval from the Purchasing Administrator before making such purchase.
  - C. The vendor accepts credit cards.

# Procurement Card Notification

**Date:**

**To: Card Manager and Budget Manager**

**Warning**

**Card is Being Revoked**

**Reason:**

Missing receipts: The reconciliation received for your pro-card is missing receipts.

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Past due:                       Expense Reports Were due: \_\_\_\_\_

On-line Reconciling / Approving of transactions was due: \_\_\_\_\_

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Misuse of funds: This expenditure is not an allowed use of funds.

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Unauthorized Vendor: Your pro Card was used with an unapproved vendor without pre-approval. Could you please give an explanation on the purchase? All unapproved vendors need to have prior approved through purchasing. Please write a brief explanation for you purchase.

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Over expenditure: The budget code used for your pro-card is over expended. Funds will need to be moved to cover this expenditure and future expenditures.

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## Mansfield ISD Procurement Card Check-Out Agreement

I understand and agree that by checking out the MISD procurement card, I will be liable for any purchases made with the card during the time that it is checked out to me. I understand that I am required to obtain receipts for any and all purchases made with the card, and that I will submit all such receipts to the card manager at the time that the card is checked back in. Additionally, I understand that I may be held personally liable for any charges billed to the card account for which receipts are not submitted or authorization given prior to the purchases.

Name & Phone Number of Person Checking Out Card	Date Checked Out	Name(s) of Authorized Vendor (s)	Maximum Authorized Expenditure
-----			\$
Card Number:	Date Checked In	Receipts Provided?	Total Charges
Budget Code(s):		__ Yes __ No	\$

\_\_\_\_\_  
Signature of Person Checking Out Card

\_\_\_\_\_  
Date

## Mansfield ISD Procurement Card Check-Out Agreement

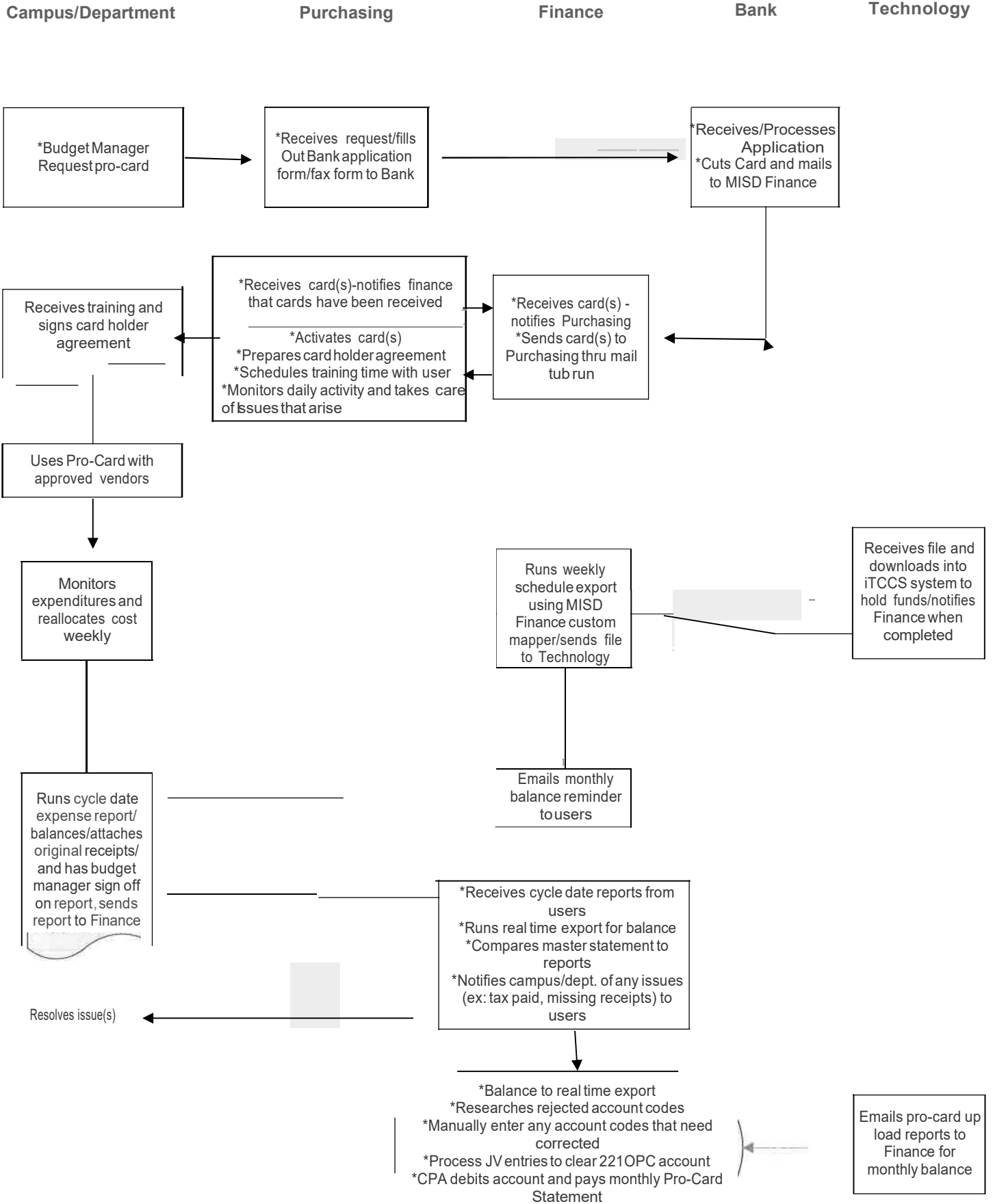
I understand and agree that by checking out the MISD procurement card, I will be liable for any purchases made with the card during the time that it is checked out to me. I understand that I am required to obtain receipts for any and all purchases made with the card, and that I will submit all such receipts to the card manager at the time that the card is checked back in. Additionally, I understand that I may be held personally liable for any charges billed to the card account for which receipts are not submitted or authorization given prior to the purchases.

Name & Phone Number of Person Checking Out Card	Date Checked Out	Name(s) of Authorized Vendor (s)	Maximum Authorized Expenditure
-----			\$
Card Number:	Date Checked In	Receipts Provided?	Total Charges
Budget Code(s):		Yes ____ No ____	\$

\_\_\_\_\_  
Signature of Person Checking Out Card

\_\_\_\_\_  
Date

# Procurement Card Process



6. Some advantages of the card are:
  1. Reduces paperwork generated by small transactions
  2. Facilitates quick payment to the vendor.
  3. Eliminates the need for purchase orders for qualified purchases, therefore you get what you need sooner, because it allows a quicker turn time for the end user.

Purchases made on the card will be for business only. The card is not a personal line of credit. When in doubt as to whether a purchase is allowable under Mansfield I.S.D. policy, the cardholder should contact the Program Administrator (Director of Purchasing) before making the purchase. **Unauthorized purchases are prohibited and purchaser will be subject to disciplinary action**

### **III. Duties and Responsibilities**

#### **A. Cardholder**

1. The employee who is issued a card is called a "cardholder". The Budget Manager designates the cardholder. The purchasing card has transaction limits for the maximum amount of each transaction as well as the maximum monthly transaction total, and the type of merchant where the card may be used.
2. All cardholders must have access to the Internet. Access can be made at home or work. Each cardholder is provided with a unique card number, and a user ID/password for secure access to the cardholder's account on the Internet. The cardholder will be required to use the Internet in order to *reallocate his/her charges by Friday of each week*. The Finance department will do uploads on Monday mornings at 7:30 a.m. to reduce the purchase(s) from the Campus/Department budget.
3. The cardholder must use *only* his/her assigned card. Cards must not be loaned to another employee for his/her use. There will be no exceptions. All "walk-in" accounts will be closed (example: Wal-Mart, HEB and Home Depot). If an employee does not have a purchase card they will not be able to make purchases.
4. Each cardholder shall use the card only for authorized purchases. A hardcopy receipt must be obtained from the vendor each time the card is used. Online and telephone charges must also be documented by a receipt, so the cardholder shall request the vendor to fax or mail the cardholder a receipt.

5. The cardholder is responsible for immediately notifying Citibank, their supervisor and the Program Administrator in Purchasing if the card is lost or stolen.
6. Each cardholder must acknowledge receipt of the purchasing card, understand the rules of usage, and sign the user agreement. Failure to abide by this Purchasing Card policy may result in disciplinary action. The cardholder will be required to reimburse Mansfield I.S.D. for any unauthorized transactions. By accepting and using the card, you agree to allow payroll deduction for any funds due to the District from you for any unauthorized transactions.
7. After the cardholder makes a credit card purchase, the transaction will appear on the cardholder's current statement under the Cycle to Date Transactions. The transaction usually takes two to three days to appear.
8. Cardholder assembles the accumulated receipts, turns in to the Card Supervisor who will reconcile the statement, and forward the package to the Program Administrator in Finance.
9. Upon resignation or termination of employment of a cardholder, the supervising Department Head shall notify the Program Administrator in purchasing immediately, and the card shall be turned in to the Program Administrator in Purchasing.

#### B. Approver

The "approver" is a supervisory level employee responsible for approving the cardholder's usage of the purchasing card. The approver is required to perform weekly approval of the transactions made by his/her cardholders. Approvers must have Internet access.

The approver will make any necessary changes, and then approve each monthly statement. Upon approval, the statement will be forwarded to the Program Administrator in Finance for statement processing. (Keep a copy for your records).

#### C. Program Administrator

The "Program Administrator" manages the purchasing card program. The administrator is the school district's point of control for the card program, monitors all usage of the card, and is the point of contact for any cardholder questions or problems. The administrators verify all information about the transaction prior to download to the General Ledger. The administrators are knowledgeable on all the procedures in the purchasing card policy.

The Program Administrator is also responsible for ensuring all cardholders are properly trained in the use of the purchasing card before the Card is issued.

The Program Administrator will report any cardholder infractions or potential infractions to the Assistant Superintendent of Business and Operations.

#### D. Departmental Responsibility

The Principal / Department Director is responsible for designating cardholders and supervisors. The Principal / Department Director shall designate which employees will be issued a card, and what transaction and merchant limits shall apply to the card's use. The Principal / Director insures that purchases are authorized and within policies. Principal / Departments may implement more stringent internal authorization procedures that its cardholders must follow in order to make purchases with the card. It is at the Department/Campus responsibility each month to collect the card statements from the card supervisor, sign off approval of statements and forward the approved statements to the program administrator in Finance.

### **IV. Citibank**

Citibank will automatically debit the District's bank account once each month for all transactions that have taken place in the previous month's weekly statement cycle. The transactions will be processed regardless of whether the transactions have been approved by the cardholder or approver. However, the transactions cannot be downloaded to the district's accounting record until they have been approved. It is imperative that each cardholder/approver promptly process the transactions and forward receipts to the program administrator. Access to the entire system is afforded through the Internet. Therefore, the cardholder/approver needs only to use a computer with Internet access anywhere to perform his/her duties. These steps need not be performed on a District computer. Failure to process these steps in a prompt manner will subject the cardholder to revocation of card privileges.

### **V. Sales Tax**

As a tax-exempt government agency, the District does not pay sales tax. Cardholders will be provided a copy of the District's tax exemption certificate. Cardholders are then responsible for insuring that the merchant does not include sales tax in the transaction. If tax is included, the cardholder will be responsible for reimbursing the tax amount to the District.

## VI RETURNS

Each cardholder is responsible for coordinating returns with the vendor and making sure a proper credit slip is obtained. Credit shall be issued to the cardholder account. - *Cash refunds are not allowed.*

## VII RESTRICTIONS AND EXEMPTIONS

A. Employees may *not* use the card for the following:

1. Any purchases of items for personal use.  
*Unauthorized purchases are prohibited and purchaser will be subject to disciplinary action.*
2. Cash refunds or advances.
3. Employee Travel Expenses (meals, transportation).
4. Contracted Services.
5. Any purchase of goods, services or purchases made at a merchant that would not be considered prudent or of good judgment.
6. Any transaction amount greater than the cardholder's transaction limit.
7. Separate, sequential, and component purchases or any transaction made with intent to circumvent purchasing policy or state law.
8. Any other purchase specifically excluded in the purchasing policy.
8. Pro-cards should never be carried by an employee on a daily basis.
9. Credit cards are not to be used by outside organizations.
10. Gift card purchases.

### B. Documentation

Supporting documentation must accompany each transaction.

### C. Personal Use Restrictions

The card may *not* be used for personal purposes, even if the cardholder intends to repay the district back immediately. In the event of personal usage, the card will be inactivated and purchaser will be subject to disciplinary action.



## VIII. Obtaining A Purchasing Card

### A. Steps:

- 1) Principal / Department Director requests a procurement card and meets with the Program Administrator of Purchasing to determine appropriate transaction limits.
- 2) Upon approval the Program Administrator in Purchasing will request issue of purchasing card from Citibank.
- 3) Upon receipt of the card, the Program Administrator will schedule employee's training. Upon completion of training, the cardholder signs the cardholder agreement in the presence of the Program Administrator, and the Program Administrator issues the card to the new cardholder.
- 4) The new cardholder receives copies of:
  - a. Cardholder Agreement.
  - b. Applicable forms.
  - c. User Guide from Citibank website.
  - d. Purchasing Card Policies and Procedures

## IX. Transaction Limits

The Principal/Department Director and Program Administrator determine limits jointly. After limit is met, employees must utilize the regular purchase order process or the Department director may petition the Program Administrator for a temporary increase in transaction limits.

## X. Submitting Statement

The cardholder's billing cycle ends on the 5th day of each month unless the 5th is on a weekend and then the cycle ends on the next Monday. Upon completion of the cycle, the cardholder will be required to complete a series of steps. Training on these steps will be provided by the Purchasing Department.

## XI. Statement Review Process

Monthly, each cardholder will receive a statement(s) identifying each transaction made against the Purchasing Card during the billing cycle. The statement must be reconciled against your retained receipts for accuracy.

For users with numerous transactions, a Monthly Transaction Log can be submitted with the proper documentation.

# MANSFIELD INDEPENDENT SCHOOL DISTRICT CARDHOLDER AGREEMENT

## Participating Employee Acknowledgment of Responsibilities

Mansfield ISD has a Procurement Card Program. It will help you get your needs met more quickly because you can use it at point of sale for some of your needs. By participating in the Procurement Card Program as a Cardholder, you assume responsibilities pertaining to the operation and administration of the card. Cardholder Accounts are subject to internal control reviews and audits designed to protect the interests of Mansfield ISD. By accepting the card, the cardholder agrees to comply with these reviews and audits. The cardholder may be asked to produce the card to validate its existence and produce statements and receipts to verify appropriate use. Parameters and procedures related to the Procurement Card Program may be updated or changed at any time. Mansfield ISD will promptly notify all cardholders of these changes. The cardholder agrees to and will be responsible for the execution of any program changes.

Because the State of Texas has purchasing laws the procurement cards can only be used in compliance with law. In order to assure this, there are rules we must follow in order to make this convenience available.

Some things you need to know:

- Cards **cannot** be used to circumvent purchasing law/policy.
- Cardholder is required to use the MISD Procurement Card Check-Out Agreement form for staff usage of the pro-card.
- Cardholder is responsible for the immediate return of receipts when the card is used for purchase(s).
- The card will be issued in the name of the Employee/Campus/Department. By accepting the card, the employee assumes responsibility for the card and will be responsible for all charges made with the card.
- The card is to be used for business expenditures only. The card may not be used for personal purposes, even if the cardholder intends to repay it immediately. In the event of personal usage, the card will be inactivated.
- The card is not transferable and may not be used by anyone other than the cardholder.
- Cards are limited by dollar amount and by type of vendor.
- As a Tax Exempt agency, no taxes can be charged to the card. If this occurs, the cardholder will be required to reimburse the district. **Tax Exempt forms should be used for all transactions.**
- The card must be maintained with the highest level of security. If the card is lost, stolen or if the cardholder suspects the card or account number to have been compromised, the cardholder agrees to immediately notify Mansfield ISD Purchasing Office 817-299-6090.
- The cardholder agrees to surrender and cease use of the card upon termination of employment whether for retirement, voluntary separation, resignation, or dismissal.
- The cardholder must surrender and cease use of the card in the event of transfer or relocation.
- The cardholder may also be asked to surrender the card at any time Deemed necessary by management.

By signing below, I acknowledge that I have read and agree to the terms and conditions of this document. I certify that as a participating cardholder of the Mansfield ISD Procurement Card Program, I understand the responsibilities listed above. I further understand that when the card is checked out of my care, I will use the Mansfield ISD Procurement Card Check-Out Agreement, which transfers liability to the individual checking the card out for procurement of goods. I authorize deduction from my paycheck any amounts due Mansfield ISD for inappropriate charges in the event I have not cleared these in a timely fashion.

\_\_\_\_\_  
Card Holder Signature

\_\_\_\_\_  
Title

\_\_\_\_\_  
Date

\_\_\_\_\_  
Budget Manager Signature

\_\_\_\_\_  
Title

\_\_\_\_\_  
Date

Budget Manager:

Retain one copy and forward original to the Program Administrator in Purchasing.

5/8/2019